



2015-2016 BUSINESS PLANS, OPERATING AND CAPITAL BUDGETS - BOOK OF APPENDICES -



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APPENDIX A – 2014-2015 YEAR IN REVIEW



2014-2015 FORECASTED RESULTS

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Excluding the proceeds from the sale of Sirius shares

in July 2014, we expect to finish 2014-

The following factors explain the major contributors to this variance:





2014-2015 ADVERTISING REVENUE IN REVIEW – ENGLISH SERVICES

s.18(a)
s.18(b)
s.21(1)(b)



2014-2015 ADVERTISING REVENUE IN REVIEW – FRENCH SERVICES

s.18(a)
s.18(b)
s.21(1)(b)



REVENUE GROUP CONSOLIDATED PERFORMANCE

s.18(a)
s.18(b)
s.21(1)(b)

**Full-Year 2014-2015 Target
(\$000)**

**Full-Year 2014-2015 Forecast
(\$000)**

■ Ad. Revenue CBC ■ Ad. Revenue R-C
■ Distribution

■ Ad. Revenue CBC ■ Ad. Revenue R-C
■ Distribution



2014-2015 CAPITAL BUDGET

s.18(a)
s.18(b)
s.21(1)(b)



APPENDIX B – CBC/RADIO-CANADA’S BUSINESS MODEL IS THREATENED



CBC/RADIO-CANADA'S BUSINESS MODEL IS THREATENED

s.18(a)
s.18(b)
s.21(1)(b)

- ❑ Inflation has eroded the appropriations purchasing power by _____ in government funding since 1990 (i.e. 1990 total appropriations of \$1.078 B would have grown to \$1.704 B with funding increases at CPI, whereas total appropriations are \$1.038 B in 2014-2015). Since the government announced a salary freeze, the Corporation has lost _____ in purchasing power
- ❑ Subscription and TV advertising revenues can no longer be counted on to make up the difference
- ❑ Excluding FIFA and hockey, advertising revenue is down _____ from target in 2014-2015
 - This is not because of CBC/Radio-Canada's performance
 - ◆ Audience share has been stable
 - Rather, it is because of industry-wide factors
 - ◆ Proliferation of new platforms
 - ◆ Increased audience fragmentation
 - ◆ Declining conventional TV advertising
 - ◆ Shift to Internet advertising, to which CBC/Radio-Canada has limited access



CBC/RADIO-CANADA'S BUSINESS MODEL IS THREATENED (CONT'D)

s.18(b)
s.21(1)(b)





CBC/RADIO-CANADA'S BUSINESS MODEL IS THREATENED (CONT'D)





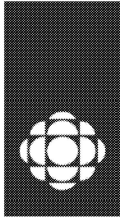
RESULT: CBC/RADIO-CANADA MORE RELIANT ON PUBLIC FUNDING

s.18(a)
s.18(b)
s.21(1)(b)

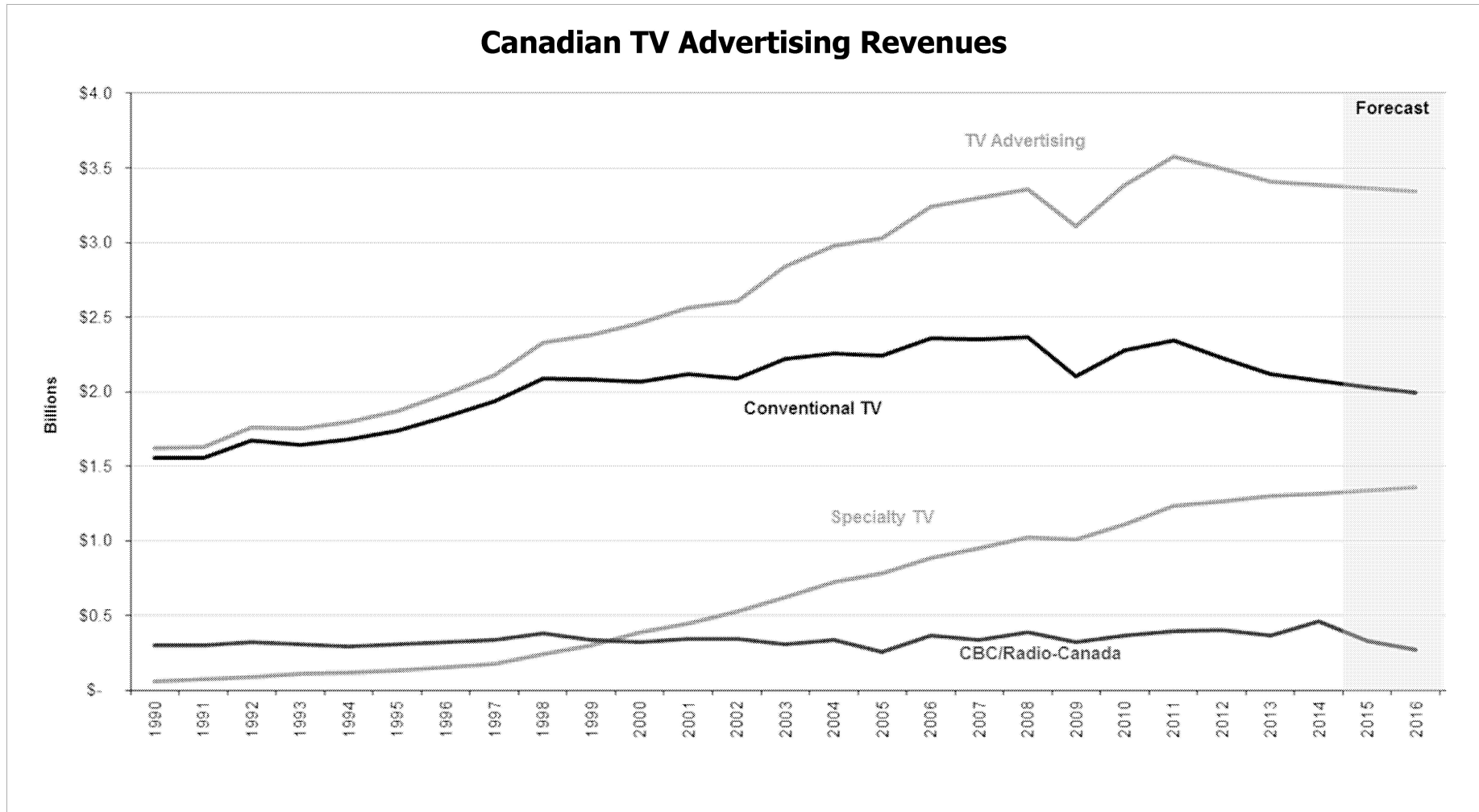
CBC/Radio-Canada's Revenue and Operating Sources of Funds



2013-2014 Actuals
(\$1,740 Million)



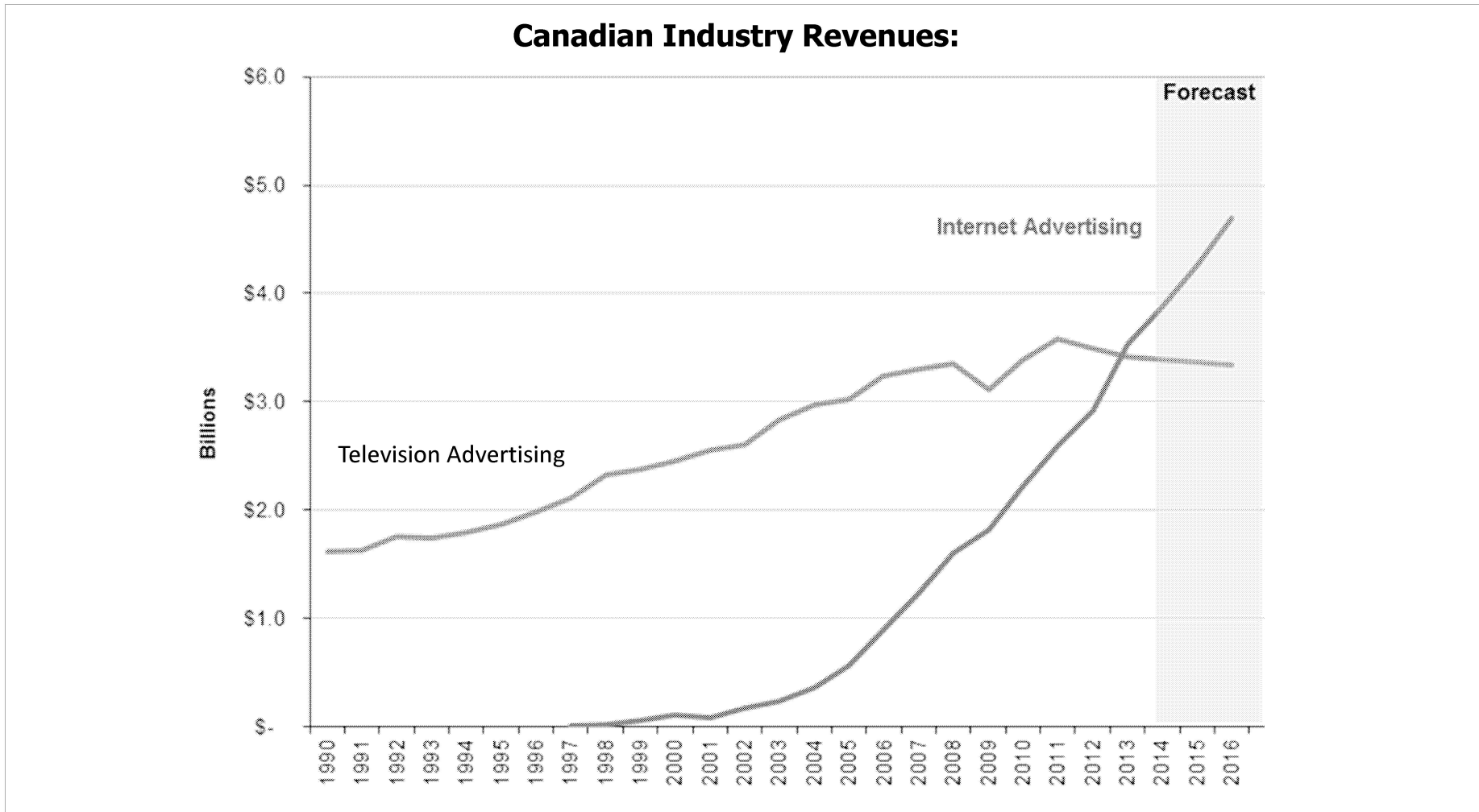
TV ADVERTISING HAS STRUGGLED SINCE THE RECESSION IN 2008



Source: Statistics Canada, CRTC and ZenithOptimedia (December 2014)



INTERNET ADVERTISING REVENUE HAS NOW SURPASSED TV (CONVENTIONAL AND SPECIALTY COMBINED)



Sources: Statistics Canada, Interactive Advertising Bureau and ZenithOptimedia (December 2014)



... HOWEVER, THERE IS LITTLE OPPORTUNITY FOR CBC/RADIO-CANADA

s.18(a)
s.18(b)
s.21(1)(b)

Internet Advertising Revenue by Category

Source: Interactive Advertising Bureau (September 2014) and CBC/Radio-Canada Finance



APPENDIX C – FINANCIAL ASSUMPTIONS IN NOVEMBER 2014 FIVE-YEAR PLAN



KEY ASSUMPTIONS IN NOVEMBER 2014 FIVE-YEAR PLAN

- The starting point of the five-year financial plan is the Net Position approved by the Board in March 2014, which included the \$130M in reductions to ensure a balanced position for 2014-2015
- Cost reductions, including those approved in June 2014 (see Appendix C), from strategic initiatives and efficiencies will cover the remaining structural shortfall and provide funding for investments in new strategic priorities (digital and program content)
 - The five-year financial plan is balanced
- The investment initiatives, along with the related revenue impacts, have also been included.
- Revenues have been adjusted for the latest information available. Revenue growth assumptions are:
 -
 -
 -



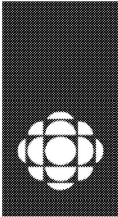
KEY ASSUMPTIONS IN NOVEMBER 2014 FIVE-YEAR PLAN

s.18(a)
s.18(b)
s.21(1)(b)

- Agreement with Rogers ends after four years, in June 2018
-
-
- The amount of program investment shown in this five-year plan for each media is preliminary and reflects available resources after cost reduction plans
- The actual amount of investment by each media and the actual allocation to each media will be determined through the annual business planning process and will depend on a number of factors including:
 - Performance of each schedule
 - Availability of resources
 - Expected return on strategy



APPENDIX D – CASH FORECAST



2015-2016 CASH FORECAST

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

2015/2016 Forecast						2014/2015 Actual/Forecast				
	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Total	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Total
Opening balance ⁽¹⁾						53,466	130,724	82,865		
Inflows										
Appropriations received ⁽²⁾						245 000	125 000	300 006		
Revenues ⁽³⁾						286 919	216 648	173 847		
Sale of XM Sirius shares						-	33,548	-		
Outflows										
Expenditures ⁽³⁾						(454 661)	(423 055)	(446 570)	(
Ending balance ⁽¹⁾						130,724	82,865	110,148		
						a	a	a		

Note 1:

Note 2: Appropriation drawdowns are planned with the objective of keeping a bank balance sufficient to meet the requirements of the Corporation's activities.

Note 3:



APPENDIX E – REVENUE OUTLOOK



A WEAK ECONOMIC ENVIRONMENT OVER THE NEXT YEAR PLACES POTENTIAL INCREASED RISK ON CANADIAN ADVERTISING EXPENDITURE

s.18(a)
s.18(b)
s.21(1)(b)

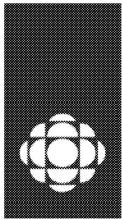
Quarter-over-Quarter Real GDP Growth (Annualized)

Key Economic Indicators and Forecasts

s.18(a)
s.18(b)
s.21(1)(b)



APPENDIX F – REVENUE GROUP – PRIORITIES AND ACTION PLANS



REVENUE GROUP – PRIORITIES AND ACTION PLAN

s.18(b)
s.21(1)(b)

Priorities	Actions	Performance indicators
------------	---------	------------------------



REVENUE GROUP – PRIORITIES AND ACTION PLAN

Priorities	Actions	Performance indicators



REVENUE GROUP – PRIORITIES AND ACTION PLAN

s.18(b)
s.21(1)(b)

Priorities	Actions	Performance indicators



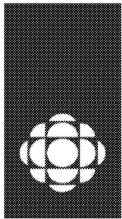
REVENUE GROUP – PRIORITIES AND ACTION PLAN

s.18(b)
s.21(1)(b)

Priorities	Actions	Performance indicators
------------	---------	------------------------



APPENDIX G – ENGLISH SERVICES ACTION PLANS, BUDGETS BY GENRE AND SIGNATURE EVENTS



ENGLISH SERVICES: NEWS

s.18(a)
s.18(b)
s.21(1)(b)

Priorities and Key Action Plans:		Performance Indicators	
<ul style="list-style-type: none"> Continue focus on investigative & original journalism 			
<ul style="list-style-type: none"> Engage in program renewal & development 			
<ul style="list-style-type: none"> Extend News service 			
<ul style="list-style-type: none"> Mobile First focus 	<ul style="list-style-type: none"> Implement Mobile First offer on an 18 hours/day and 7 day/week basis 		
<i>Budget and FTE forecasts & plans are for Total News & Centres (excluding Local Talk)</i>			
Total Budget	2014-2015	2015-2016	Variance
FTE			



ENGLISH SERVICES: REGIONAL SERVICES

Priorities and Key Action Plans:		Performance Indicators	
<ul style="list-style-type: none"> Maintain existing geographic footprint and evolve services by offering content specific to the needs of each region 	<ul style="list-style-type: none"> Launch new supper hour formats in all markets 	<ul style="list-style-type: none"> Audiences <i>per KPI trend</i> Increase frequency of daily digital engagement with local services Reduce costs <i>per Business Plan</i> 	
<ul style="list-style-type: none"> Launch local branding 	<ul style="list-style-type: none"> Implement Mobile First offer on an 18 hours/day and 7 day/week basis 		
<p><i>Budget and FTE's below are total Regional number (including Local Talk)</i></p>			
Total Budget	2014-2015	2015-2016	Variance
FTE			



ENGLISH SERVICES: ENTERTAINMENT

s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:		Performance Indicators
<i>Develop and offer programming that is distinctly Canadian, creatively ambitious and different from the private broadcasters</i>		
<p>Scripted & Unscripted:</p> <p>Invest in the prime time schedule pursuant to Strategy 2020</p>	<ul style="list-style-type: none"> • Renew high performing existing programs and replace underperforming programs 	
Documentary		
Arts		
<i>Continued on next slide.</i>		



ENGLISH SERVICES: ENTERTAINMENT (CONTINUED)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:		Performance Indicators	
<i>Develop and offer programming that is distinctly Canadian, creatively ambitious and different from the private broadcasters</i>			
Children			
Signature Events			
Digital			
Total Budget	2014-2015	2015-2016	Variance
FTE			



ENGLISH SERVICES: SPORTS

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:	Performance Indicators
<ul style="list-style-type: none">• Make CBC Sports the recognized home of Olympic Sport, a unique place in Canadian sports media	
<ul style="list-style-type: none">• Maximize PanAm opportunity to strengthen CBC Sports	
<ul style="list-style-type: none">• Support the network schedule with affordable, original & engaging content	
<ul style="list-style-type: none">• Lead Canada's Sports Conversation with trusted sports journalism	



ENGLISH SERVICES: SPORTS (CONTINUED)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:	Performance Indicators		
<ul style="list-style-type: none"> Maintain Olympic self-sustaining financial position 			
<ul style="list-style-type: none"> Grow the digital experience 			
Total Budget	2014-2015	2015-2016	Variance
FTE			



ENGLISH SERVICES: MUSIC

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:		Performance Indicators		
<ul style="list-style-type: none"> Re-imagine Radio 2 as a more inexpensive service, more tightly integrated with our digital offer 	<ul style="list-style-type: none"> Ongoing development of Radio 2 schedule and programming 			
<ul style="list-style-type: none"> Continue to establish CBC Music as leader in Canadian music across platforms 				
<ul style="list-style-type: none"> Continue to evolve the digital experience 				
<ul style="list-style-type: none"> Complete back-end collaboration with Radio-Canada 				
Total Budget	2014-2015	2015-2016	Variance	
FTE				



ENGLISH SERVICES: TALK RADIO

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities and Key Action Plans:		Performance Indicators		
<ul style="list-style-type: none"> Maintain our leadership position and record audiences 				
<ul style="list-style-type: none"> Increase awareness of our programming and brand 				
<ul style="list-style-type: none"> Increase reach & engagement, particularly with new and younger audiences 				
Total Budget	2014-2015	2015-2016	Variance	
FTE				



ENGLISH SERVICES: DIGITAL

s.18(a)
s.18(b)
s.21(1)(b)

Priorities and Key Action Plans:			
Implement a scalable network of CBC consumer experiences to enable Strategy 2020 growth objectives			
<i>Budget below are included in each of the Genre area's above</i>			
Total Budget	2014-2015	2015-2016	Variance



ENGLISH SERVICES – SIGNATURE EVENTS

Signature Events Defined

Represents "special" programming - a departure from regular content

Offers some legacy impact, cultural significance, nation building or nation sharing

Is showcased across all or almost all our platforms

Includes a significant public engagement component intended to appeal to a broad audience

2014-2015 Events

Canada Day <i>(Live from Parliament Hill & Canada Day in the Capital)</i>	FIFA
Canadian Country Music Awards	
Scotiabank Giller Prize	
Canadian Screen Awards	
Culture Days	
Canada Reads	

2015-2016 Tentative Events * Current List (not final)

Canada Day <i>(Live from Parliament Hill & Canada Day in the Capital)</i>	Pan American & Parapan American Games
Canadian Country Music Awards	* All titles are tentative, and may change during the year as new programming opportunities arise.
Scotiabank Giller Prize	
Canadian Screen Awards	
Federal Election	
Canada Reads	



APPENDIX H – FRENCH SERVICES ACTION PLANS, BUDGETS BY GENRE AND SIGNATURE EVENTS



FRENCH SERVICES: NEWS AND CURRENT AFFAIRS

s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance
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FRENCH SERVICES: NEWS AND CURRENT AFFAIRS

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance
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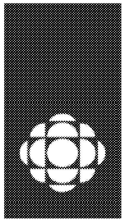
Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: ARTS AND ENTERTAINMENT

s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance Indicators
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FRENCH SERVICES: ARTS AND ENTERTAINMENT

s.18(a)
s.18(b)
s.21(1)(b)

Priorities	Key Actions		Performance
Total Budget	2014–2015	2015–2016	Variance
	FTE		



FRENCH SERVICES: SPORTS

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance

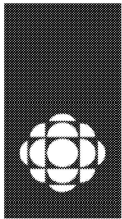
Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: MUSIC

Priorities	Key Actions	Performance
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Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: TALK RADIO

s.18(a)
s.18(b)
s.21(1)(b)

Priorities	Key Actions	Performance
------------	-------------	-------------

Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: ICI EXPLORA

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance
------------	-------------	-------------

Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: ARTV

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance
------------	-------------	-------------

Total Budget	2014–2015	2015–2016	Variance
FTE			



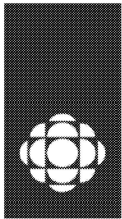
FRENCH SERVICES: REGIONAL STRATEGY

s.18(b)
s.21(1)(b)
s.68.1

Priorities

Key Actions

Performance



FRENCH SERVICES: REGIONAL STRATEGY

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Priorities	Key Actions	Performance
------------	-------------	-------------

Total Budget	2014–2015	2015–2016	Variance
FTE			



FRENCH SERVICES: DIGITAL STRATEGY

s.18(a)
s.18(b)
s.21(1)(b)

Priorities	Key Actions	Performance Indicators
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Total Budget	2014–2015	2015–2016	Variance
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FRENCH SERVICES – SIGNATURE EVENTS

Signature Events Defined

Represents "special" programming - a departure from regular content

Offers some legacy impact, cultural significance, nation building or nation sharing

Is showcased across all or almost all our platforms

Includes a significant public engagement component intended to appeal to a broad audience

2014-2015 Events

Canada Day	En direct du monde (Semaine des correspondants)
ADISQ Gala	FIFA
Gala des Gémeaux	
Gala des Jutra	
New Year's Eve	
Prix des lecteurs	

2015-2016 Tentative Events * Current List (not final)

Canada Day	En direct du monde (La semaine des correspondants)
ADISQ Gala	Federal Elections
Gala des Gémeaux	MSO Pellerin Project
Gala des Jutra	* All titles are tentative, and may change during the year as new programming opportunities arise
New Year's Eve	
Pan American & Parapan American Games	



APPENDIX I – REGIONAL MEDIA BUDGETS



ENGLISH SERVICES – REGIONAL BUDGETS

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Forecast (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
APPLICATION OF FUNDS					
Newfoundland					
Maritimes					
Ottawa					
Toronto					
Windsor					
Quebec					
Ontario (small Stations)					
CBC North					
Manitoba					
Saskatchewan					
Calgary					
Edmonton					
British Columbia					
Allocation of carryover					
TOTAL APPLICATION OF FUNDS					



FRENCH SERVICES – REGIONAL BUDGETS

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Forecast (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
APPLICATION OF FUNDS					
Atlantic (Moncton)					
Quebec					
Regions of Quebec					
Ottawa-Gatineau					
Ontario					
Manitoba (Winnipeg)					
Saskatchewan (Regina)					
Alberta (Edmonton)					
British Columbia (Vancouver)					
Ottawa Production Centre					
Management					
TOTAL - APPLICATION OF FUNDS					



APPENDIX J – NON-MEDIA SERVICES ACTIVITIES AND PRIORITIES



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

1. Infrastructure and Technology Services budget in 2015-2016)

a) Real Estate Services budget in 2015-2016)

Operates and maintains 4,339,562 sq.ft. of owned and leased production, technical and office space in 83 facilities across Canada and 9 foreign locations and generates n space rental revenue

of Real Estate costs come from fixed costs:

- Building operations and maintenance represents of the budget
- Rent and taxes represents of the budget
- Interest expense on TBC bonds represents of the budget

Priorities for 2015-2016:

-
-
-
-
-



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

- b) Media and Enterprise Technology Services (METS) budget in 2015-2016)
- Provides transmission, distribution, collection and telecommunication services to media and support services
 - Operates digital TV transmitters and radio transmitters at owned and leased sites. The transmission division represents of the METS budget and generates in site-sharing and co-location revenues
 - of the METS budget comes from to fixed costs: licenses, hydro, hardware, leases, buildings, and maintenance contracts
 - Priorities for 2015-2016:



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

2. General and Administrative Services budget in 2015-2016)

- Provides support services to media and meet external compliance requirements

2015-2016 proposed budgets are than 2011-2012 actual costs
By 2017-2018, this will have grown

a) People and Culture budget in 2015-2016)

- Provides Human Resources services including labour relations, training and development, compensation, workforce planning, recruitment, performance appraisal and benefits administration for all components
- Priorities for 2015-2016:



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

- b) Corporate Finance and Administration budget in 2015-2016)
- Provides financial reporting, budgeting, procurement, treasury, internal control, insurance and taxation services
- Priorities for 2015-2016:
 -
 -
 -
 -
 -
 -
 -
 -
 -
 -



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

- c) Shared Services Centre budget in 2015-2016)
- Provides payroll and HR transaction services, accounts payable, billing and collections and Information Technology support services
- Priorities for 2015-2016:
 -
 -
 -
 -



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

- d) General Counsel, Corporate Secretariat and Compliance budget in 2015-2016)
- Provides legal advice on commercial transactions and media liability issues, corporate policy administration, Board of Directors administration, and Access to Information request management
 - Priorities for 2015-2016:



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

- e) Branding, Communications and Corporate Affairs budget in 2015-2016)
- Provides corporate communications services, government relations and translation services
 - Priorities for 2015-2016:
 -
 - Public Engagement and Public Relations
 - Reputation Management
 - Internal Communications:



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

f) Corporate Research budget in 2015-2016)

- Manages audience rating and survey contracts and provides research services and reports
- Priorities for 2015-2016:

g) Internal Audit budget in 2015-2016)

- Internal Audit is an outsourced service that audits processes and activities to measure compliance to internal controls, policies and best practices
- Priorities for 2015-2016:
 - The 2015-2016 Audit Plan will be presented to the Audit committee in February 2015



NON-MEDIA SERVICES – ACTIVITIES AND PRIORITIES

s.18(a)
s.18(b)
s.21(1)(b)

3. Corporate Expenses budget in 2015-2016)

☐ Represents personnel and financial service costs that relate to all components

a) Severance Pay and Other Personnel Costs budget in 2015-2016)

Includes corporate wide personnel costs such as severance on normal retirements of supplemental pension plan payments of , group life insurance of and Worker's Compensation of

b) Dental Plan and EAP budget in 2015-2016)

Includes the union dental plan premium budget of : and Employee Assistance Plan budget of .

c) Training and Development budget in 2015-2016)

Allocations that were previously reflected in media budgets related to specific training requirements have now been centralized. The budget also includes funding relating to corporate-wide training programs and training administration

d) Insurance and Taxes budget in 2015-2016)

Includes property and casualty insurance premiums of : and a provision for claims expenses of
Also includes letter of credit fees of the pension solvency deficit letter of credit fee of
paid to government and travel agency fees of



APPENDIX K – CAPITAL BUDGET



2015-2016 CAPITAL HIGHLIGHTS -

s.18(a)
s.18(b)
s.21(1)(b)

PRODUCTION INFRASTRUCTURE -

2015-2016



2015-2016 CAPITAL HIGHLIGHTS -

s.18(a)
s.18(b)
s.21(1)(b)

PRODUCTION INFRASTRUCTURE -

(CONT'D)

2015-2016



2015-2016 CAPITAL HIGHLIGHTS -

s.18(a)
s.18(b)
s.21(1)(b)

ENTERPRISE SYSTEMS AND TECHNOLOGY INFRASTRUCTURE -

2015-2016



2015-2016 CAPITAL HIGHLIGHTS -

s.18(a)
s.18(b)
s.21(1)(b)

PRESENTATION, COLLECTION, DISTRIBUTION & DELIVERY -

2015-2016



2015-2016 CAPITAL HIGHLIGHTS - (

PROPERTY MANGEMENT -	2015-2016
Approved facility and consolidation projects in Halifax, Moncton and Sudbury	
FLEET AND MINOR CAPITAL PURCHASES -	2015-2016
Annual refresh of the corporation vehicle fleet	
Minor Capital purchases to address unforeseen and urgent operational equipment	