



## SOCHI OLYMPIC UPDATE # 3

### *PERIODIC UPDATE ON THE SOCHI WINTER 2014 OLYMPIC GAMES*

<b>TO:</b>	Board of Directors
<b>MEETING:</b>	June 19, 2013
<b>FROM:</b>	Neil McEneaney, Interim Executive Vice President, English Services
<b>PURPOSE:</b>	Update #3 on the 2014 Sochi Winter Olympic Games provided to the Board
<b>DATE:</b>	May 24, 2013



# EXECUTIVE SUMMARY: UPDATE #3

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

## Olympic Plan

### Individual Areas

- **Sales:** Sales pacing to plan
- **Programming:** Auditions/casting for Hosts and features production underway
- **Communications:** Made Olympic announcements during Media and Sponsor Fall Launch Events
- **Business Plan:** Sub-licensee deals completed with Bell, Rogers and TVA



# SALES

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

s.20(1)(b)

Completed

- Phase 1: Pitched Sales proposals for IOC/COC Partners
- Finalized revenue plans: forecast by category
- Staged an Olympic sales conference and university event: Jan. 28-30
- Hosted Olympic Sales launch event with support from Communications: April 4

Current

- Phase 1: Finalize discussions with remaining 4-5 IOC/COC ring rights Partners: May 31
- Phase 2: "Go to Market" on sales for non IOC/COC ring rights partners: Feb. - May 31



## PROGRAMMING AND PRODUCTION

s.18(b)

s.21(1)(b)

s.68.1

Completed

- Attended world broadcaster summit in Sochi with all media rights holders
- First phase of Sochi content: Road to the Olympics series on Sochi and Olympic venue construction readiness – distributed on all platforms English/French
  - ✓ Aired in News programs during the “one year out” week, Sports weekend in Feb. - March, online in February and available on VOD
- Gathered U.S. Olympian interviews (co-production with NBC): April 23-25
- Gathered Canadian Olympian athlete interviews at Olympic Athlete Summit (Vancouver May 10-14) - CBC/COC co-production
- Finalized long form agreement with Deltatre for platform tools and digital products: Websites, apps, and mobile website

Current



# COMMUNICATIONS

s.18(b)  
s.20(1)(b)  
s.21(1)(b)  
s.68.1

Completed

- Kicked off 1 year out promotional campaign, “Count down to Sochi”. Campaign aired on CBC TV and Television de Radio-Canada and online: Feb. 7
  - Countdown to Sochi promotions will continue on the 7<sup>th</sup> of each month leading to the games.
- Supported Revenue Olympic Sales launch event on April 4
- Submitted overall CBC animation (the “look and feel”) to IOC for approval

Current



# BUSINESS PLAN

s.18(b)  
s.20(1)(b)  
s.21(1)(b)  
s.68.1

**Completed**

- Long form rights agreement with the International Olympic Committee (IOC) and has been finalized and awaiting signing
- Finalized budgets (see financial update in the appendices)
- Finalized English/French sub-license deals with Bell, Rogers and TVA Sports

**Current**



## KEY DATES

s.18(b)

s.21(1)(b)

s.68.1

s.20(1)(b)

Date	Area	Description
May / June 2013	Sales	<ul style="list-style-type: none"><li>• Fall Launch Sponsor Event: May 22</li><li>• Launch Sales Participation: May 31</li><li>• Radio-Canada Fall Media Launch: June 6</li></ul>
	Programming	<ul style="list-style-type: none"><li>• COC Athlete Summit: May 10-14</li><li>• Host Announcement: TBD</li></ul>
	Communication	<ul style="list-style-type: none"><li>• COC Athlete Summit , Shoot: May 10-14</li><li>• Fall Media Launch and Sponsor Event: May 22</li><li>• Sub-licensee can start using the Olympic Rings: June 1</li><li>• Radio- Canada Fall Media Launch: June 6</li><li>• COC Event: Olympic Day: June 23</li></ul>
	Business Plan	





# APPENDIX 1: BUSINESS PLAN – FINANCIAL UPDATE (SOCHI)

s.18(b)  
s.20(1)(b)  
s.21(1)(b)  
s.68.1

In *Can\$* Millions

	2014 Sochi Winter Games Only		
	Update	Original Plan	Changes
<b>Revenues</b>			
CBC Advertising / Syndication & Sub-licensing			
Radio-Canada Advertising / Syndication			
<b>Total Revenues</b>			
<b>Operating Costs</b>			
Production costs (including contingency)			
Sales & Promotion			
Rights fee			
<b>Net profits</b>			

Note: withholding taxes are applied to profit share only





# APPENDIX 1: BUSINESS PLAN – FINANCIAL UPDATE (RIO)

s.18(b)  
s.20(1)(b)  
s.21(1)(b)  
s.68.1

In *Can\$* Millions

	2016 Rio Summer Games Only		
	Update	Original Plan	Changes
<b>Revenues</b>			
CBC Advertising / Syndication & Sub-licensing			
Radio-Canada Advertising / Syndication			
<b>Total Revenues</b>			
<b>Operating Costs</b>			
Production costs (including contingency)			
Sales & Promotion			
Rights fee			
<b>Net profits</b>			

Note: withholding taxes are applied to profit share only



# APPENDIX 1: BUSINESS PLAN – FINANCIAL UPDATE (CONSOL.)

s.18(b)  
s.20(1)(b)  
s.21(1)(b)  
s.68.1

In *Can\$* Millions

## Consolidated 2014-16 Contracted Games

	Consolidated 2014-16 Contracted Games		
	Update	Original Plan	Changes
<b>Revenues</b>			
CBC Advertising / Syndication & Sub-licensing			
Radio-Canada Advertising / Syndication			
<b>Total Revenues</b>			
<b>Operating Costs</b>			
Production costs (including contingency)			
Sales & Promotion			
Rights fee			
<b>Net profits</b>			

Note: withholding taxes are applied to profit share only



## APPENDIX 1: ACCOUNTING ASSUMPTIONS

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

- Rights fee of RIO Games is allocated to the Sochi Games and to the



## APPENDIX 2: PROGRAMMING PHILOSOPHY FOR OLYMPIC COVERAGE

**Building upon the principles of Strategy 2015, the Sochi Olympics will**

***Provide Canadian Content that reflects and draws the regions together***

- Build Stars of our Canadian athletes
- Create defining moments in Canadian and World sports
- Be an entertaining experience for Canadians

***Actively engage audiences***

- Offer Intuitive and simple navigation
- Programmed for 'all screens'
- Involve unprecedented participation by the audience

***Reflect a cost-efficient and responsible Business Plan***

- Follow the 'One Company, One Budget' approach to resources & planning
- Adhere to a Break-even (or better) financial plan