

Filed via epass

October 27, 2010

Mr. Robert Morin
Secretary General
Canadian Radio-television and
Telecommunications Commission
Gatineau, Quebec
K1A 0N2

Dear Mr. Morin:

Re: Broadcasting Notice of Consultation CRTC 2010-715 – Application – 2010-1379-7 - by Bluepoint Investments Inc. to acquire the assets of Saskatchewan Communications Network (SCN)

Introduction

1. These are the comments of the Saskatchewan District Council of the Directors Guild of Canada (the “SDC”) concerning the above referenced notice. The SDC is providing these comments **in support** of the application. Our comments are limited to this submission as the SDC **does not wish to appear** at the hearing.
2. Established in 1996, the Saskatchewan District Council of the Directors Guild of Canada is a provincial labour organization representing members in the areas of Direction, Production, Arts, and Editing. The SDC Membership has played an integral part in the evolution of the province's indigenous film industry. SDC members are one of our local industry's greatest strengths and have experience in both film and video in all formats including feature films, TV series, shorts, documentaries, commercials, and music videos.

SCN and Saskatchewan Production

3. The SDC recognizes the importance of SCN to both the production industry and people of Saskatchewan. The announcement earlier this year of the Saskatchewan government's decision to stop funding the educational broadcaster sent a shockwave through the production and creative sectors in the province. Despite being a small operation with a

limited budget, SCN has been vitally important to audio-visual creation in Saskatchewan in a number of ways. For example:

- SCN has consistently invested in Saskatchewan production and programming.
 - It has been an important trigger for CMF funding for provincial filmmakers. Given the nature of film and television financing in Canada, the loss of SCN broadcaster support has created funding gaps for local producers which in turn hinder their ability to qualify for CMF funds.
 - SCN has served as an excellent training ground for young, film school graduates in the province. SCN support has helped these filmmakers get their first projects off the ground, ensuring they are able to stay in Saskatchewan and build their careers in the province.
 - SCN's investment in Saskatchewan programming also provides a further source of income and creative outlet for more established members of the industry, again ensuring their ability to remain in Saskatchewan.
4. Given the importance of SCN to the industry in Saskatchewan, the SDC is pleased that Bluepoint Investments Inc. ("Bluepoint") has decided to purchase the broadcaster and intends to continue with the investments in Saskatchewan programming which have been so invaluable to the province.
 5. The SDC is also encouraged by Bluepoint's commitments to spending over \$12 million on Saskatchewan productions over the course of the licence term, as well as \$7 million over the licence term for the development and production of digital content. This type of investment represents a real life-line to a number of producers and creators in the province.

Benefits Package

6. In their supplementary brief, SCN implies that there is no need for the Commission to apply its benefits policy in this case given the important intangible benefit of keeping the station alive when it seemed clear it would be shutting its doors for good. SCN also notes that a benefits package representing 10% of the value of the transaction in this case would require spending of approximately \$10,000 a year over the course of a seven-year licence term and that they are already proposing a much higher level of investment.
7. The SDC agrees that the intangible benefits in this case are perhaps strong enough to negate the need for a tangible benefits package, yet we are wary of a change of control and significant changes in the operation of a formerly non-commercial broadcaster without an obligation to financially support indigenous production. While we recognize the significant commitments Bluepoint has proposed to Saskatchewan independent production, we note that commitments are not the same as spending obligations. As such, in lieu of a formal benefits package, the SDC recommends the Commission seek a timetable on how Bluepoint plans to spend the proposed investment (this should be simple as they have already stated

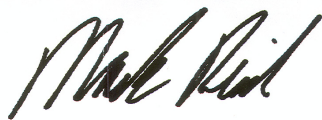
their intention to spread the money evenly over the course of the licence term) as well as a reporting mechanism to track this spending.

8. Having a reporting mechanism in place would not only serve to reassure the production community of Bluepoint's commitment to Saskatchewan production, but would also provide a means to track the appropriateness of the commissioned programming for SCN's role as the provincial educational broadcaster.

Conclusion

9. SCN has been an important part of the Saskatchewan television industry for over 20 years and the SDC hopes it will continue to play its important role for a long time to come. In our view, Bluepoint appears poised to make that happen and we look forward to the Commission's determinations on their application.
10. The SDC appreciates the opportunities to provide these comments on this important manner.
11. All of which is respectfully submitted.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Reid', is written over a light grey rectangular background.

Mark Reid
Chair of the SDC

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