



June 27, 2014

Mr. John Traversy  
Secretary General  
Canadian Radio-television and Telecommunications Commission  
Ottawa, ON K1A 0N2

Dear Mr. Traversy:

**Re: Broadcasting Notice of Consultation CRTC 2014-190 — Let's Talk TV**

**I. SUMMARY**

1. Although traditional TV providers are moving quickly into the online audiovisual streaming market, over-the-top (“OTT”) services remain largely complementary to traditional TV programming in Canada. The trend toward online streaming provides consumers with more choice, accessibility, diversity, and pricing options for audiovisual content, and producers with growing demand for that content. Canadian content is thriving online (including on Netflix’s Canadian library and on the libraries of other markets), making regulatory obligations unnecessary. Indeed, regulating new media would impose unnecessary costs and inhibit innovation, diversity and consumer choice.

**II. INTRODUCTION**

2. By this written submission, Netflix wishes to be considered as an intervener in the above-noted Canadian Radio-Television and Telecommunications Commission (“CRTC”) proceeding on the future of television in Canada.
3. Netflix entered the Canadian market in September 2010, delivering subscription video on demand (“SVoD”) audiovisual content — movies and TV programs — to Canadians over the Internet.
4. Netflix’s business model is a simple one: we give consumers control over their television viewing experience. Netflix built a platform for consumers to discover amazing movies and TV shows and to watch as many as they want to watch, when and where they want them, and on virtually any Internet-connected device.
5. Netflix has created a service that avoids many of the hassles and headaches that people typically associate with pay-TV services. Netflix is available for one low monthly price with no commercials. Members get one free month to try Netflix out, risk free. There are no long-term commitments or contracts. Members can quit and rejoin any time.

6. Innovative business models like these can and have made a positive impact on consumer video choice, have extended the availability of Canadian and other audiovisual content at low cost, both in Canada and abroad, and have stimulated innovation in the delivery of and access to programming via the open Internet. These benefits have all been driven by consumer demand and market forces.
7. These consumer-driven benefits confirm what the CRTC recognized in the Notice of Consultation: that the objectives of the *Broadcasting Act* (the “**Act**”) “may be achieved without regulation, through the evolution of the marketplace or the changing technological environment”.<sup>1</sup> Indeed, the CRTC’s historically light-touch regulatory approach to the dynamic and evolving OTT video space has created an environment conducive to the kind of business experimentation that is likely to promote the public interest in the form of increased consumer choice, content diversity, innovation and pricing options.
8. The CRTC is undertaking this review of broadcasting regulation in a period of ongoing and rapid evolution of information technologies. The proliferation of Internet-delivered content (audiovisual and otherwise) is changing and challenging all media to better respond to the needs and demands of consumers. This evolution means that forecasting developments will necessarily be uncertain. It also cautions against the application of regulation in this space, however well-intentioned, that might inadvertently supplant Canadian consumers’ ability to “vote with their dollars and eyeballs” to shape the media marketplace to one that best suits their needs and demands.
9. As such, the CRTC should be especially mindful of the Act’s instructions to regulate and supervise Canada’s broadcasting system in a flexible manner that is readily adaptable to scientific and technological change, that facilitates the provision of broadcasting and of Canadian programs to Canadians, that does not inhibit the development of information technologies and related services, and that is sensitive to the burden of regulation.<sup>2</sup>
10. In this submission, Netflix responds to questions 28-34, 36, 47, and 48 of the Notice of Consultation.

### **III. LIKE OTHER MEDIA, TELEVISION IS GOING ONLINE AND CANADIAN CONTENT IS THRIVING ON THE INTERNET - REGULATING NEW MEDIA WOULD IMPOSE UNNECESSARY COSTS AND INHIBIT INNOVATION, DIVERSITY AND CONSUMER CHOICE**

11. **In the Notice of Consultation, the CRTC asks “How will programs be delivered in the future (i.e. in five years and 10 years from now) and who will be the future aggregators and curators of programming?”<sup>3</sup>**
12. Given their historical dominance, traditional TV incumbents are likely to maintain their market position for the foreseeable future. However, online video delivery

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<sup>1</sup> CRTC, Broadcasting Notice of Consultation CRTC 2014-190 (“**Notice**”), para. 35.

<sup>2</sup> *Broadcasting Act*, s. 5(2)(c)-(g).

<sup>3</sup> Notice, Question 28.

services provided by both incumbents and new entrants will continue to grow and evolve to offer Canadians increased content and viewing options.

13. The viewing of broadcast programming continues to be predominantly over facilities or networks dedicated to its delivery (i.e. cable, satellite and IPTV systems), as the data in the CRTC's Communications Monitoring Reports demonstrate.<sup>4</sup> Media reports of data released by Media Technology Monitor ("MTM") suggest that Canada's most avid viewers of online video tend also to be among those who watch the most TV generally — those for whom online viewing is additive to traditional TV. As well, CRTC data show that Canadians are not abandoning traditional broadcasting for OTT services in great numbers. Rather, their take-up of OTT services suggests that they appreciate the increased content variety, convenience and viewing flexibility that OTT services provide.
14. To the extent that Canadian consumers are considering "cord trimming", it would appear that price increases for BDU services are a significant (perhaps determinative) factor. The data released in the CRTC's Report to the Governor in Council in response to Order in Council P.C 2013-1167 show that price increases for BDU services in Canada have significantly exceeded the rate of inflation in recent years.<sup>5</sup> Indeed, BDU pricing is a major concern for Canadians, as shown by the results of the CRTC's Choicebook exercise leading to this proceeding.<sup>6</sup>
15. While traditional television providers are likely to remain the mainstay of Canadian media diets, the trend toward better and faster audiovisual streaming via the Internet will continue, and Netflix is at the forefront of this trend (including streaming in 4K High Definition), though it is not alone in offering either streaming audiovisual or HD quality streaming online.<sup>7</sup> Broadcasters, broadcast distributors, telephone companies, cable companies, OTT services, and other content aggregators and curators, notably newspapers, are moving quickly into the online audiovisual streaming market.
16. For consumers, the continued evolution of streaming means more choice, accessibility, diversity, and pricing options for audiovisual content. For content producers, it means growing demand for content, both old and new: movies, documentaries, serial programs previously associated only with traditional television channels, music videos and other audiovisual content. It also means that individuals and diverse communities are not limited to the linear content offered by traditional broadcasters whose reliance on advertising inevitably drives them to focus primarily on the most popular content. As well, the online market has shown that not only high-cost/high-quality content can be successful: user-generated content, and even "channels", are proving to be highly successful. *All of these outcomes are in the public interest.*

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<sup>4</sup> See CRTC Communications Monitoring Report (September 2013), online: <http://www.crtc.gc.ca/eng/publications/reports/PolicyMonitoring/2013/cmr2013.pdf> at sections 4 and 6; see also <http://news.gc.ca/web/article-en.do?nid=848179>.

<sup>5</sup> See CRTC, Maximizing the ability of Canadian consumers to subscribe to discretionary services on a service by service basis (24 April 2014), online: <http://www.crtc.gc.ca/eng/publications/reports/rp140424e.htm>.

<sup>6</sup> See CRTC, Let's Talk TV: Choicebook, research conducted by Hill+Knowlton Strategies (1 May 2014), online: [http://www.crtc.gc.ca/eng/publications/reports/rp140424a.htm#h5\\_1](http://www.crtc.gc.ca/eng/publications/reports/rp140424a.htm#h5_1) and <http://www.crtc.gc.ca/broadcast/eng/hearings/2013/2013-563oc2.htm>.

<sup>7</sup> See "Netflix Long Term View" online: <http://ir.netflix.com/long-term-view.cfm>.

17. Netflix reiterates that “traditional broadcasting frameworks should not be imposed in the new media environment without evidence that intervention is warranted” (emphasis added). This is consistent with Netflix’s previous submissions<sup>8</sup> and the CRTC’s determination in Broadcasting Regulatory Policy 2009-329. Indeed, given currently available data, the CRTC should be skeptical of assertions purporting to show a significant impact on traditional broadcasting.
18. **The Notice of Consultation also asks whether “funding mechanisms for Canadian programming need to be modified to take into account changes in the way Canadian programming is watched”.**<sup>9</sup>
19. Netflix would like to take the opportunity to discuss the issue of requiring funding contributions from OTT services to the extent that the subject of the question is generally addressed in comments of other interveners.
20. The CRTC has consistently recognized that online new media are complementary to conventional broadcasting and exempted them from regulation; nonetheless, some (including, for example, in 2011 by members of the OTT Services Working Group<sup>10</sup>, which does not include members of the OTT sector that are unaffiliated with BDUs) have suggested that Netflix and other OTT services should be required to make a financial contribution to the Canada Media Fund (“CMF”) or other contribution to the production of Canadian content.
21. Netflix appreciates the role of the CMF and its importance to the Canadian audiovisual production sector. However, the reflexive application of regulation ill-suited to new technologies and industries is not only unnecessary, in many circumstances it can result in unintended and unwelcome consequences. This is particularly true in a tightly consolidated media market, like Canada, where encumbering new entrants and technologies with legacy regulation would further cement the market power of incumbents and subvert the goal of increasing the diversity of content and content production sources available to Canadian viewers, as well as the distribution of Canadian content globally. For example:
  - a. As discussed more fully in the next section of these comments, Netflix is already making material, market-driven and commercially oriented commitments to Canadian content without any obligation to do so — and evidence suggests that Canadian content is thriving online.
  - b. Currently, no foreign entities, including foreign broadcasters authorized for distribution in Canada by BDUs, are required to make a financial contribution to the production of Canadian content through the CMF or otherwise – and as discussed in more detail below, few, if any, offer as much Canadian content as Netflix offers in Canada, let alone abroad.<sup>11</sup>

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<sup>8</sup> Comments of Netflix Inc. in respect of Broadcasting and Telecom Notice of Consultation CRTC 2011-344 (5 July 2011) at para. 9, online:

<https://services.crtc.gc.ca/pub/ListeInterventionList/Documents.aspx?ID=158485&Lang=e>.

<sup>9</sup> Notice, Question 29.

<sup>10</sup> See <http://www.theglobeandmail.com/report-on-business/letter-from-over-the-top-services-working-group/article576416/>.

<sup>11</sup> See *infra*, para. 25.

- c. Unlike vertically-integrated carrier/BDU/broadcaster/ISPs that contribute to the CMF through their BDUs and VoD operations, and whose broadcaster affiliates have access to dedicated CMF funding envelopes in partnership with independent producers, Netflix, as a foreign entity, has no such access and cannot benefit from the CMF in a similar fashion.
  - d. For Netflix, a contribution to the CMF would therefore amount to subsidizing productions made primarily for Bell, Rogers, Shaw/Corus and Videotron, who would acquire exclusive online streaming rights in addition to broadcast rights.
  - e. While the CMF also supports CBC programming, Netflix already acquires programs made for the CBC, extending the life, reach and accessibility of the national public broadcaster's programming both in Canada and internationally — it is one of the few private sector services in Canada, if not the only one, to do so.
  - f. Such an obligation would not only compound the existing benefits to Canada's incumbent, vertically integrated carrier/ISP/BDU/broadcasters, it would create no new partnership opportunities for independent Canadian producers, generate little if any content intended for other new media providers, and it would not appreciably improve Canadians' ability to access Canadian content.
  - g. Netflix strives to license an amazing array movies and TV shows and offer unlimited access to that programming for a low monthly subscription. The imposition of a "Netflix Tax" or "OTT Tax" may make it more difficult for Netflix to offer access to this content at the same affordable rate. Given that Netflix is already supporting Canadian content through market and consumer-demand driven licensing, such a tax might translate into an increase in price without, as discussed above, a commensurate benefit for Canadian content, its producers, or Canadian consumers.
22. In short: Canadian content is already successful online, making requirements unnecessary; an obligation via the CMF would see new media cross-subsidizing old media; regulatory intervention would inevitably impose costs, inhibiting innovation and the development of information technologies and potentially increasing prices for consumers — all without a clear benefit with respect to the objectives of Canadian broadcasting policy. These outcomes are not in the public interest.
23. **The CRTC also inquires whether there are “any regulatory measures required to encourage the production, promotion or presentation of new, compelling and innovative Canadian programming? If so, what would those measures look like?”<sup>12</sup>**
24. Although Netflix is not part of the regulated broadcasting system, its libraries available in Canada and in other markets include a material proportion of Canadian content. From its entry into the Canadian market, Netflix made a decision to acquire Canadian content for its library. Regulation was not a factor in this decision. Serving our members by offering a wide array of amazing content was.

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<sup>12</sup> Notice, Question 30.

25. Canadian content can be high quality, innovative, and interesting to audiences worldwide, and Netflix's acquisition of Canadian content continues to be responsive to the interests of our members. Canadian selections include movies, TV programs and documentaries from the CBC, the National Film Board and private producers. Canadian programs for children are among the most popular content on Netflix worldwide. When feasible, Netflix acquires Canadian content not only for Canada but internationally. For example, the children's shows "Caillou" and "Arthur", popular Canadian series such as "Bomb Girls" and "Murdoch Mysteries" are currently offered on the U.S. service, as are critically acclaimed Canadian films like "Inch'Allah" and "Into the Wind". "Caillou", "Bomb Girls" and "Trailer Park Boys" are also currently available on Netflix's U.K. service.
26. A study done for the CRTC in March 2012<sup>13</sup> estimated Canadian programming on Netflix's Canadian service at 9.0% of total library hours. According to the report, this was comparable to certain regulated movie-oriented specialty and pay channels.
27. Netflix is neither required to track Canadian content in its library, nor is it able to do so fully, based on all the regulatory criteria for "Cancon". Netflix's inventory is predominantly composed of library content and Canadian titles are most often acquired as part of a package. In that context, the full information needed to confirm regulatory "Cancon" criteria are not always available. Moreover, streaming rights are acquired for differing periods of time and renewed, if available, based on subscriber viewing data. As a result, the library is constantly growing and evolving and the proportion of certifiable Canadian content available at any given time is highly changeable and not always readily identifiable.
28. In previous submissions to the CRTC, Netflix has outlined a number of ways in which its Canadian service contributes to achieving the objectives of the Broadcasting Policy for Canada set out in Section 3 of the Act.<sup>14</sup> These contributions are significant, market-responsive, commercially financed, and not required by regulation. In particular, Netflix's ongoing acquisition of Canadian library content for its services in Canada and abroad represents a new and valuable source of revenue for Canadian producers. It also makes available to Canadians and global audiences, at low cost, Canadian content that is not otherwise readily available from other sources.
29. Netflix's original productions have also generated considerable interest and have generated significant public and critical acclaim. Decisions to commission original content are territorially neutral and take a variety of forms.<sup>15</sup> For example, the first Netflix original series "Lilyhammer" was a production set in Norway with predominantly Norwegian actors and dialogue and English subtitles. "Hemlock Grove", a U.S. production, was shot on Canadian locations, using independent Canadian studios, production resources, and talent. "House of Cards" and "Orange is the New Black" are U.S. productions. With respect to shows like "Arrested

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<sup>13</sup> CRTC, Market Impact and Indicators of Over the Top Television in Canada: 2012 (30 March 2012), online: <http://www.crtc.gc.ca/eng/publications/reports/rp120330.htm>.

<sup>14</sup> See Comments of Netflix Inc., supra note 8, para. 28.

<sup>15</sup> Netflix's rights in these productions have primarily taken the form of exclusive streaming licenses rather than equity. Netflix "Originals" currently represent less than 10% of Netflix's content budget, though we expect that to grow along with the popularity of original series.

Development” and “Trailer Park Boys”<sup>16</sup>, Netflix commissioned and funded new “revival” seasons of popular U.S. and Canadian TV series.

30. Regardless of where original content is produced, Netflix is committed to ensuring that programming “travels well” and is accessible and enjoyable for local audiences. For example, Netflix used independent Quebec facilities and talent to dub "House of Cards" and "Orange is the New Black" into French in Quebec for the Canadian market. As with “Hemlock Grove”, this involved material contributions to the Canadian production sector.
31. In this context, Netflix notes that the current framework to support Canadian content production provides much more limited access to tax credits and public funding for Canada-U.S. co-productions, as compared to those available for co-productions involving partners from countries with which Canada has co-production treaties. Given the extent of cross-border production activity between Canada and the U.S., and the large number of Canadian directors, actors and other talent living and working in the U.S., this may be out of sync with the marketplace and may unduly limit opportunities and exhibition windows for independent Canadian producers.
32. In preparation for this proceeding, Netflix partnered with Google to engage Lemay-Yates Associates to prepare a report (attached as Appendix A) examining the evolution of Canada’s broadcasting policy and regulatory framework with a view to assessing its performance over time with respect to public policy objectives, and its relevance in the context of the evolving distribution environment (the “**Report**”).
33. Netflix notes that while the Report identifies a number of successes, it also demonstrates that outcomes have not always been consistent with objectives. For example, to paraphrase some of the Report’s findings:
  - a. Measures to subsidize and require Canadian content for television have too often resulted in productions that fall short of what Canadians expect from “prime time”.
  - b. Despite over 40 years of regulation and subsidy, the majority of Canadians, except in Quebec, choose to watch non-Canadian prime time programs most of the time.
  - c. Ironically, this is beginning to change primarily in response to evolving market forces that are driving broadcasters to demand more compelling, competitive, original content and rely less on foreign content that is readily available over the Internet.
  - d. Long-term reliance on subsidization and regulated demand appears to have skewed market forces in ways that are not always consistent with the desired outcome of a strong, competitive Canadian production sector.
34. The views expressed in the Report are those of the authors, however, they provide a cautionary tale for those who propose extending the broadcasting policy and regulatory framework to the new Internet environment. Indeed, one of the Report’s key findings is that: "Extending the current framework to new media would likely

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<sup>16</sup> Chris Welch, “Netflix is making two new seasons of "Trailer Park Boys", The Verge, (Mar. 7, 2014), online: <http://www.theverge.com/2014/3/7/5481440/new-seasons-trailer-park-boys-coming-to-netflix>.

have negative impact on innovation in online content in Canada, potentially stifling the emerging activities of various organizations and initiatives, whether they are active in media now or not.” Netflix’s own experience suggests that competition, consumer choice and innovation are flourishing and Canadian content and online services are already generating a level of success in this open and consumer-driven space equal to, or greater than, that achieved in the regulated system.

35. Another cautionary tale about attempting to extend traditional broadcasting regulation to online content and the Internet is presented in two studies done for Industry Canada in 1999 and 2008. These studies examined the matter solely from a technological perspective, setting aside the unpopularity and freedom of expression issues associated with such regulation. They concluded that the costs of such regulation would be very high and would impact the entire economy. As well, the outcome would not only be economically inefficient but also ineffective because of the relative ease of bypass.<sup>17</sup>
36. A factor in this regard is the question of which services would be singled out for regulation. While attention has focused on OTT services such as Netflix, the Report demonstrates how, as the underlying network infrastructure evolves, audiovisual content is becoming widely available online. Even today, it vies with text on news and information websites, where it is often predominant. And many such services compete directly with local and national broadcasters for advertising. If the test for regulation is the impact on the regulated broadcasting system, it would be challenging indeed to devise criteria that single out those services to be regulated while avoiding ambiguity and the appearance of arbitrary distinctions.
37. Traditionally, broadcasting distribution networks, whether over-the-air, cable or satellite, have been one-way, and predominantly domestic, transmission systems. In a number of countries, including Canada, regulators have leveraged these characteristics to control, limit or manage access to foreign content and services as part of a broader policy to promote and protect domestic alternatives. Unlike traditional broadcasting distribution systems, the Internet is interactive and international. It enables direct, unmediated, on demand user access to global content. The evolution of the Internet to accommodate streaming video, and of TV sets to connect directly to the Internet, is making it increasingly difficult to control, limit or manage, in any meaningful way, access to foreign audiovisual content and services. Indeed the two studies done for Industry Canada show how problematic it would be to try to extend to the Internet regulatory constraints designed for traditional broadcasting: regulators or governments would have to be prepared to control or restrict citizens’ access to websites. Such measures would be of dubious effectiveness.
38. In the short term, while most consumers still rely on BDUs for most broadcasting content, regulatory barriers to entry for over-the-air and satellite-to-cable linear broadcasting services will continue to help protect domestic broadcasters to some extent. In the mid- to longer term, on demand access to audiovisual content via the Internet will drive broadcasters, and other domestic audiovisual services, to rely increasingly on their greater knowledge of local tastes and original content offerings

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<sup>17</sup> See: Regulation of the Internet: A Technological Perspective, online at [https://www.ic.gc.ca/eic/site/smt-gst.nsf/vwapj/005082\\_e.pdf/\\$FILE/005082\\_e.pdf](https://www.ic.gc.ca/eic/site/smt-gst.nsf/vwapj/005082_e.pdf/$FILE/005082_e.pdf) and Regulation of the Internet: a New Technological Perspective, online at <http://www.ic.gc.ca/eic/site/smt-gst.nsf/eng/sf09030.html>.

to be competitive. This suggests that the CRTC may want to focus attention primarily on measures that will assist broadcasters and content producers to transition successfully to the future more competitive and open distribution environment as technology inevitably enables consumers to have greater access to international content and services.

39. **The CRTC also asks whether regulatory measures intended to promote Canadian content would “affect the purchase of program rights and licence fees paid to independent producers”.**<sup>18</sup>
40. Program rights and licence fees are best left to commercial negotiations. To the extent that the evolving Internet-based distribution system for audiovisual content increases demand for content, producers will benefit as they see new windows for their library content and growing demand for new content. It remains to be seen whether vertically integrated BDUs will be tempted to exercise their market power in a manner that seeks to protect their competitive position – though this type of conduct would of course raise concerns under federal competition laws, and should also be of concern to the CRTC.
41. **The CRTC also asked the following questions:**
  - a. **Should the Commission encourage the production of certain types of programs as it has done in the past? If so, which types of programs should be supported?**<sup>19</sup>
  - b. **What form should incentives take? Would eliminating certain requirements, for example, exhibition requirements, be an effective and appropriate incentive for producing Canadian programming or programming of certain types?**<sup>20</sup>
  - c. **If exhibition requirements are generally reduced or eliminated, would there still be a need for specific exhibition requirements for particular types of programming, e.g. local or children’s programming?**<sup>21</sup>
42. The current policy and regulatory framework is intended primarily to foster and support the production of Canadian content intended to be aired during peak viewing hours when most Canadians are watching television. This is something that the CRTC should assess.
43. With respect to exhibition requirements, and in the mid- to longer term, on demand access to audiovisual content via the Internet will drive broadcasters, and other domestic audiovisual services, to rely increasingly on their greater knowledge of local tastes and original content offerings.
44. Canadian broadcasters are already moving in this direction. Canadian private broadcasters' participation in high profile made-for-TV productions such as "Orphan Black", "Vikings" and "The Borgias", and Bell Media and Rogers' acquisitions of

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<sup>18</sup> Notice, Question 31.

<sup>19</sup> Notice, Question 32.

<sup>20</sup> Notice, Question 33.

<sup>21</sup> Notice, Question 34.

sports programming are some examples. If this is the case, exhibition requirements may become unnecessary. Instead, the CRTC may want to focus attention primarily on measures that will assist broadcasters and content producers to transition successfully to the more competitive and open distribution environment.

45. It would be inappropriate and ineffective to attempt to impose exhibition requirements on OTT services, as noted in our response to questions 29 and 30.
46. **The CRTC also asked “Is the current way to calculate contributions to Canadian programming still appropriate? For example, should the Commission update its definition of broadcasting revenues to reflect all broadcasting activities by licensees?”<sup>22</sup>**
47. The legacy regulatory framework should not be extended into the Internet distribution environment. The CRTC has consistently and repeatedly made the right decision in exempting new media, including Internet content, from regulation as broadcasting. There is scant evidence to suggest that any meaningful benefits would accrue from capturing broadcasting licensees’ revenues from online services for the calculation of contributions to support Canadian programming.
48. **The CRTC also asked the following questions:**
  - a. **Are measures, such as imposing distribution requirements, undue preference provisions or other measures such as those set out in the VI Code, needed to ensure the availability of non-vertically integrated programming sources and BDUs in the future?**<sup>23</sup>
  - b. **How should the Commission and Canadians measure success with respect to promoting fair access for non-vertically integrated programming sources?**<sup>24</sup>
49. Vertically integrated carrier/BDU/broadcaster/ISPs have considerable market power, controlling the local access networks for Internet and broadcasting into Canadians homes and wielding considerable negotiating power vis-à-vis independent content producers.
50. The CRTC should give careful consideration to the ability of vertically integrated firms to leverage their dominance of traditional broadcasting in Canada, and their control of local access networks, to dominate online audiovisual distribution as well. Vertically integrated companies also have the means and the technological capacity to engage in anticompetitive behaviour vis-à-vis OTT services – whether through UBB, the imposition of low usage caps (including exemptions for their own “Mobile TV” product ), or otherwise. Given the state of concentration in Canada, the CRTC should be vigilant in applying its Internet Traffic Management Practices framework, and safeguards against undue discrimination or preference, under the *Telecommunications Act* with a view to ensuring competition and innovation in online audiovisual distribution in Canada.

#### **IV. CONCLUSION**

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<sup>22</sup> Notice, Question 36.

<sup>23</sup> Notice, Question 47.

<sup>24</sup> Notice, Question 48.

51. Netflix thanks you for the opportunity to make these written submissions.

Respectfully,

/s/

Corie Wright  
Director, Global Public Policy

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