

# ROBERT RABINOVITCH

in his own words



CBC president  
Robert Rabinovitch

## The Legacy of a President An exclusive interview

*On November 24, 2006, CBC president Robert Rabinovitch sat down with CBC technology reporter/columnist Tod Maffin for a wide-ranging discussion about the Corporation. Here is the transcript of that interview.*

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**First, I'm curious about your own media consumption. Do you follow blogs? Do you listen to podcasts?**

I do the minimum, to be perfectly frank. I will change once I'm out of this job, and I have time. It's purely a question of time. What I do do is I use my PVR a lot. I have one up in the country and I have one in the city. So, I record what I think I'm going to want to watch. Sometimes it's CBC stuff; sometimes it's not. I just finished four hours of listening to Prime Suspect, because I think Helen Mirren's one of the greatest actresses in the world, and I hope she wins the Academy Award for her Queen

Elizabeth. I just love the show. I think it's very well done. Or things like *China Rises*.

I'm like a lot of kids that I know, like my son, who can't watch the shows or listen to the shows when we put them on, whether it's *Quirks and Quarks* or some of the other shows, but do want to hear them. So, you tape and listen when you can.

But I don't have time to go through blogs. I don't even have time, very much, to do all my e-mails. So, my assistant goes through a lot of the e-mails, and especially stuff that can be done by Audience Relations, or **should** be done by Audience Relations, gets sent to them right away, and I get a summary of what's said.

**Finances**

**You've said you believe the CBC needs more money to achieve our mandate. My reading of the**

**corporate plan that went to Parliament doesn't request any specific increase at all. It shows maintaining stable funding. Am I missing something?**

That's the rule of the corporate plan. It cannot be used to say we'd like to ask for more money. The principles are established by the government, and that is, "What is your plan given your current resources?" The fact that you may want more resources, the fact that you may want to do something else, that's a separate argument that you've got to make through speeches, through getting a minister to present to Cabinet, et cetera, et cetera.

**So have we asked for more money?**

We've asked **regularly** for more money. [LAUGHS] In fact, my knees are wearing out.

**What is the process? What document does that get presented to?**

Well, we've tried different schemes, literally. When I first came to the job about seven years ago, it was made very clear that there wasn't more money on the horizon, that they felt CBC was "a fat organization." So I said, all right, I'm going to spend a year and a half, and I went before a Parliamentary committee and I said, "I'm not going to ask for money. I'm going to generate money from within. I'm going to show it can be done with our existing resources, and the reward I hope to have is more money."

And it worked. We generated a lot of money from within, in terms of better management, including this Vancouver building and the real estate that's going on right here. We sold real estate, we managed better, we rented stuff. One way or another, we generated, on a continuum, every year for the next twenty-five years, \$75 million from within our own asset

base. With that as an argument, I went back to government and said, "Listen, I can take care of inflation. I can take care of these basic things. I can't take care of enhancing our programming, and, quite frankly, we are dramatically underfinanced."

**But has the government asked us to enhance our programming?**

No. But I told them I wanted to. As we know, the public has said they want it. There's also so many new platforms on which we want to work. So I went back to the government, and at that point they gave us \$60 million, and I promised that it would all go into programming.

**This was the money that was positioned as one-time funding.**

That's right. And they gave it to us. They've given it to us, so far, every year. But every year, we've had to go back and ask for it. What we've also done is, we've made it very clear that \$60 million won't do it, that we really feel we have to have about a hundred and fifty million. I'm talking now about 2000 dollars -- the year 2000 -- so really, by today, it's even more than that. If we want to be able to produce programs, take risks, have programs done that don't merit going on air, like what goes on in the States and we can throw it away, to do that, you have to have the money to take the risk. So, we've gone back to them, and now we're at it again for the umpteenth time, asking the government to please give us the \$60 million. The government has made it very clear that there will definitely not be more than \$60 million. But the battle, the argument right now is, is the sixty million really part of our budget, because we've had it now for six years, or is it in addition to our budget?

**In the Corporate Plan, it says**

**that if we don't get increased funding, that some pretty significant projects are at stake. HD is one; television drama is another one that's named; regional expansion. Will those projects be killed if we don't get the sixty million?**

No, but they will be definitely slowed down. See, the other thing we did was we said, "All right, government, here's a plan for HD." And we sent them a plan for development of HD. "Here's another plan for regional expansion," because we wanted to do regional expansion.

And we did a third plan, we called it "Lifeline," that is how to harden the CBC radio stations around the country in order to be able to manage crises. Like the Kelowna fires. We seem to have one or two of these, at least, a year. Now, the key thing everybody has, they talk about an alert system. We talk about, yes, the alert tells you there's a crisis coming. But we wanted to go a bit further: how does society communicate with the citizens when the towers have burned down, or when the power is out? Well, we went to them with a plan, and so far it's gone nowhere.

And I think, quite frankly, it's a critical plan, and only CBC can do it, because we've got transmission towers everywhere. Part of the plan was to put in backup electrical services, i.e. diesels, to create electricity so that even if electrical power went down, we would be on the air. The citizen would learn to have a battery-powered radio, or – I have one of these up in the country – a crank radio. So, at least you could talk to citizens about what's happening. So far, we've had a lot of sympathetic noises, but nothing's come of it.

**That sounds to me sort of like a motherhood and apple pie project. No one could say there's anything really wrong**

**with that. But how do we determine those priorities? There's lots that the CBC would like to do. What is the process by which you pick two or three of these?**

In the case of HD, basically, it's been foisted on us by the country and the Americans. It's become a government priority, where the government is very concerned. The hearings that are starting next week on television policy for the next ten years has HD as one of the focal points, because the CRTC and the government has become very concerned that if you have HD coming in from the States, then that's the programming that people will watch rather than watching Canadian programs.

**Do that many Canadians have HD receivers and subscribe to HD channels, though?**

No, but it's coming. Very, very fast. The other part of the equation is, the Americans have a shutoff date of 2009 when they will stop broadcasting in analogue and then broadcast solely in digital. When you go to digital, it's not automatic that you're at HD, but the step to HD is pretty simple. So a lot of them are doing that. Especially things like sports, high-level drama, the quality of the production in HD, once you've watched it in HD you're not going to come back. It's as simple as that. So, if I offer you a hockey game – which I did about three years ago; I watched ABC, with *terrible* announcers, doing a hockey game in HD. We were doing our regular hockey game with, I think, *great* announcers and *great* coverage. You know what? I wanted to turn one off. It was like going back to Montreal when I was a kid, when the hockey broadcast was in French, and we put Danny Galavan on the radio in English and turned down the sound? It was the same thing.

I'm not a golfer, but when you can watch the golf ball moving

against the green, the spectacular green – I love baseball, and when you can watch the spin on the ball? I've always read about the spin on the ball. I've sat with coaches, because when I was in the private sector, my boss owned the Montreal Expos. So I've sat with the coaches, and they'd say, "He's missing on his curve ball." I'd say, "How do you know it's a curve?" "Oh, well, I read the spin." I said, "You do?" [LAUGHS]

## Programming Strategy

**I want to show you the first two pages of the annual report that I know you're familiar with. On the front of them, there's two huge words. One is "continuity", and the other is "change". What aspects of our programming do you think need to stay exactly as they are today, and what do we need to overhaul?**

I think, and it's not a bad way of us putting it, it's to recognize the change in the environment. I would say that the first aspect of change is to recognize the multiplicity of platforms. So, maybe exactly the same programming, but if you start to think of your programming in terms of [whether] it's going to be on radio, TV or other services, and it's going to be seen in different ways, if you start from the beginning that way, if you buy the rights for a program with the intention being that you want to put it on mobile telephones, like we did with the Olympics, you're going to think differently because you're focused on the platforms and that allows you to do different things. In terms of what programming needs to be changed, I would say, on the

English side in particular, because we talk about the French separately, but on the English side, the two areas of change that we need is we have to recognize that, more and more, we are programmers. On the news and current affairs, we've got to integrate our services much more.

**Put words around “integrate our news services”. What does that look like to you?**

What exactly we're doing with it is building. We're getting rid of our physical limitations so that we can have one newsroom. Like we have now in Ottawa, like we have in

Edmonton.

Where there's an assignment desk and we can send out a person and expect them to be able to work, whether it's for radio or TV or the Internet, and to think of

yourself as a content producer for any one of those three. Now, not everybody can do everything, nor do you want them to do everything, so it's not a case of, “Oh, yeah, they want us to go out there and do all three things.” More and more, it's to be able to think in these terms.

The other area along that which I think is very important, and we've been saying it more and more, is that we discover our local roots. I think CBC made a horrible mistake. I can understand why they did it, but I think they made a horrible mistake in 1990, early 1991, when we basically, if not abandoned, at least left local television. We don't do local television well. I'm sorry to say it, but the numbers say it.

**I think you referred to the ratings as “abysmal”.**

They are. When you're drawing two hundred thousand viewers compared

to CTV's 1.4 million, compared to Global in Vancouver's ability to draw dramatically on local, you have to ask yourself what's going on here.

**Wait, now I'm confused about the numbers. A recent episode of *Intelligence*, which we claim as one of our hits, is getting in the two hundred, two hundred fifty thousand range. Yet we say that that's a success.**

It's a different type of program.

When you're doing news and current affairs, and you're comparing yourself to the opposition at least to a certain extent, and they're drawing 1.4 million and you're only doing two hundred thousand, you have to ask yourself what's going on here. If you're doing *Intelligence* – which I don't know why it only draws that number because I've watched several of them; it's a very, very good program – two hundred thousand? And it's more than two hundred thousand, it's more like three fifty – it's a good program, it's the type of thing we should be doing in drama. The problem with *Intelligence*, in many ways, is that it's going up against American programming. American programming is well done and draws great audiences. It's also very, very well promoted.

The bottom line is, ratings is not everything. It's ratings per genre, it's ratings per type of program. We did Kent Nagano in Montreal. The opening concert of Kent Nagano did three hundred and fifty thousand. Now, three hundred and fifty thousand, if you compared it to *Les Bougon*, which does 1.3 million on Radio-Canada, it's a bomb. But the answer's no! It's a high-culture program. That's the beauty of our mandate, is we've got to cover the waterfront. When you look at ratings, it's one measure, so three hundred fifty thousand for a symphony orchestra is not bad.

**Speaking of the French service, it seems they have a phenomenal amount of wisdom, and – let's say it – ratings that English would love to have. There's lots of integration between administrative that's working. There's some integration in journalism and programming. Why isn't there integration between English and French programming? Why don't we see more visible presences of English and French teams working together?**

Well, we do in some areas, Tod, and in others we don't.

**Should we have more?**

I'd love to see more. I come from Montreal; we're now a nation. [CHUCKLES] We have to recognize that what works in French may not work in English, and vice versa. Classic example: *Rumours*. A great hit in French. So, with Moses Znaimer working with us, we redid *Rumours*. And in English, it bombed. I can put on some shows in English which will not draw in French; in other words, the opposite. *Canada: A People's History* drew over a million in English. It was drawing less than four hundred thousand in French.

**Which is still pretty good numbers for just predominantly the province of Quebec, I would assume.**

Yeah, except compared to what they do, it was not a very good number. They said part of it was, it was shot as an English program.

**How do we learn what will be a success in crossing over? Does it mean we have to spend the money, try them out, and suffer with failures?**

Yeah. And there's nothing wrong with that. A couple of examples from the

“ When [CBC] is drawing 200,000 viewers compared to CTV's 1.4 million... you have to ask yourself what's going on here.

film world: *The Rocket*, Maurice Richard. Bombed in French. It did fabulously well in English. It's a great movie, it really is. But it didn't work because it was a movie about a working-class kid who became one of the dominant nationalist figures. To me, in Montreal? Wow. I understood it. In Toronto? Didn't work. It wasn't shot to start with as a movie that's going to go between the two cultures. *Bon Cop, Bad Cop* was exactly the opposite. They started the shoot working in terms of, "it's going to be subtitled twenty-five percent in English, twenty-five percent subtitled French." It's designed to work in both markets. It's now the highest-grossing Canadian film ever.

**But those are expensive learning processes, are they not?**

Yes. Absolutely.

**Can we afford to do that?**

No! The answer, again – I shouldn't say no that categorically; it's yes and no – each one takes money, which gets you back to right at the beginning, why we need more money. We need money to be able to fail. We need money to be able to take risk. Some things are going to work and some things are not. I've set up what we call a cross-cultural fund. It's about \$10 million. It's designed to help finance shows that'll be shown both in English and in French.

We've experimented with different things. We've experimented with double shoots, where you shoot the same scene in English and then shoot it again in French, and choose your actors as people who can work both in English and French.

**I think that's how *Rumours* was shot, was it not?**

No. *Rumours* was shot as two separate things. We did do one like that – oh, it's about the biker gangs, I forget the

name.

Some of them work, and some of them don't. Some of them work a bit better in one market than another market. I think you have to build these bridges, and try different ones, and know that some of them are going to work and know some of them are going to fail.



**We're coming up on the looming retirement of baby boomers in the next five to ten years or so –** [JOVIALLY] You're getting personal now.

**Lots of people in the CBC, we know, just statistically, are of that age, ergo, there will soon be a mass exodus from the Corporation, just strictly by the age of our employees. What specific things does the CBC have in place for either recruitment and/or succession planning.**

This is one of the single biggest problems an organization like ours has. An organization that's been going for the last fifteen years, at least, becoming smaller, where its budget has been stable or shrunk but has not grown, where we've gone through cuts almost every year. Minor cuts, but cuts, and a massive cut in 1995 of forty percent of our budget, \$400 million.

What happens? It's the young people who get cut, because of the bumping rules and everything else. The result is, we are understaffed at the lower levels. We're going to have to go out there and recruit people, and that's what we've been doing in IT. That's what we hope to do in terms of bringing people in on

contract.

**And how do you see that recruitment? Do you see, literally, booths set up at job fairs?**

We may have to go to that point, but I don't think so. I think there are an awful lot of people coming out of the journalism programs, or who want to do programming or documentaries who come knock on our doors. I think we're going to have to do an awful lot more with independent producers. The government's policy is to push us to use more independent producers, which is why the CTF was set up. I think, out of that, we discover people, and we'll just have to go out and recruit, and get the right people for the right jobs.

**What's your sense of what staff morale is like these days?**

I don't know. I just know from my own travels around the country, I think, in general, staff morale is fine. This is a creative organization. There's always going to be tensions within a creative organization. That's the story of life. I used to work at Universal. The company I worked with, the family I worked for owned Seagram's. There was always tension, and that's inevitable. We've done, especially with the French side, the last two settlements with the French unions: eighty-five percent approval, eighty-seven percent approval. We just had a hundred percent approval with STARF on the *outsourcing* of thirty jobs. They agreed it was better to outsource, but that was a negotiation. We outsourced, but we protected those thirty people. They go with the job, they go with the outsourcer if they want the job. That was part of the deal.

I hope that we will mature to the point -- and I say both sides, very clearly, have to mature – that we can sit and realize that it's in all of our interests to protect the public

broadcaster. Protecting the public broadcaster means, at times, the loss of jobs. It means, at times, changing jobs. It doesn't follow by definition that, because you're a great producer of children's programming, you can now produce the news. We've got to have the maturity to understand that this is a creative organization, and creative organizations, you want to protect jobs to the extent that you can, but you also have to understand that there has to be transitions and flows, and it's one of the reasons why we're going to use contract employees more. We have to, by the very nature of the operation.



I also have to recognize that we don't produce that much in-house anymore. We do news and current affairs and drama and documentaries, yes. But basically, we are controlled by the Canadian Television Fund, because we get so much money from it. The Canadian Television Fund rules are very simple. The production must be done by an independent producer.

**If we want to take their money.**  
If we want to take their money.

**But we don't have to take their money. Or, at this point, do we?**  
The bottom line is, if we take their money, it cuts our costs down dramatically.

**Are there creative ways around that? Ad agencies, for instance, will often create their own media-buying house so they can take the markup. It's a company within a company. Could we create an independent production unit within the CBC?**  
We've looked at different things, and it's very hard, because they're not that dumb. [CHUCKLES] They catch on

to that. Our competitor in Quebec, TVA, had a totally independent production house, and the government of Quebec said, "We are cutting you off from access to tax credits because, no, you're completely owned and controlled, so therefore you're really a one." So it's not that easy to do.

Also, a lot of the creative thinking is out there in the independent sector. Look at a program like *Intelligence*, like you were saying. Chris Haddock's not going to want to work for the CBC and become an inside employee, but he'd love to produce for the CBC.

**I'd agree that the high-profile shows make sense -- people like Haddock. But that seems like a pretty broad brush to paint with if we're talking about projects where the Canadian Television Fund isn't needed, like in radio, for instance, or new media. Is it your opinion that we should embrace the contract workers (and I should put my own disclosure out front that I am a contract worker, so I might have some bias in this question) but that would also apply to radio and new media?**

In general, I think you have to look at a combination of inside people and outside people. The creative may be inside, the creative may be outside. We have a lot of creative people in-house, or you may be able to use creative people coupled with our technical people.

**Do you see there being more contract people than, say, five years ago in those divisions?**  
Oh, yeah. There's no question about that.

**What percentage? Can you put a number on that?**  
It's all being worked out in the union contract. I think the number's about

ten percent. So you're not talking about the bulk, but you are talking about a very significant number. Now, you go into the areas like IT, where you need people for a period of time, or people say, "No, I don't want to work full-time for you." People in IT are footloose and fancy-free, they want to move around, and they're not looking for "security". They're looking for fun, excitement, and different opportunities. A lot of our people doing children's television, most of them are on contract.

**Do we have more work to do in creating a fun, exciting place?**

I think that that happens at the individual level, at the individual programming level. My job, I'm a bureaucrat. I'm a suit. My job is to try and get the funding and get the stability so that the creative people can try and do things. We have to work on the assumption that there are a lot of creative people in-house, and there's an awful lot outside who want to work with us. We've got the networks, we've got the strengths to help these people. We've also got, right now, in arts and entertainment on television, some quality people like Fred Fuchs who can work with people and individual producers in terms of developing a quality program, a program that will draw an audience and that will answer to what Canadians want.

Similarly, in radio, we hold contests inside. One of the things that Jane has been able to do is put money aside to allow for the developing of new programs.

But all thinking will not come from inside! There'll be new programs created by outside creative people, which can be very, very interesting. They may then want to join in full-time, or they may just want to work on their program. And in the Internet, again, even more so! It's a newer technology, and I think you have to reach out and bring more

new people in.

**Does it trouble you that one of the perceptions of that might be either a) we're going to outsource programming, or b) this means that, if we are going to become smaller and we don't get the budget increase that you're hoping the CBC will get, this will put added burden on existing staff if we haven't got the other staff to fill?**

It's a combination of all those things. Number one: we haven't had an increase from the government in thirty-two years. I don't dream, unfortunately, of getting money from the government. I want to stabilize what we have. I'm afraid of losing money. I'm concerned the sixty million won't *be* there. We keep putting forward different proposals for this. That's one of the reasons as well, at the television hearings, we're talking about a subscription fee, because we think conventional broadcasters should be given a subscription fee for the product that they create.

**I want to get the the subscription fee issue in a moment, but let's talk about a different kind of person on the outside: people who used to be with us. We've lost some of our high-profile journalism talent lately — Eric Sorenson to Global, Paul Workman to CTV, Jennifer Ditchburn to CP, Jennifer Fry from radio. Does the rate or high-profile nature of these people leaving to go to competitive firms alarm you?**

Not really. I really believe it's inevitable. It's always been the history of the CBC. We're one of the best training grounds in the world, and it's almost a compliment that companies like Global or CTV will go after a Paul Workman. But I also think that we have to have some churn and we

have to bring new people in, and create space for new people to develop. So I'm sorry when we lose people but I fully understand that that has to happen and it should happen.

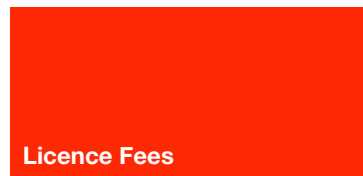
**But does it seem like a trend to you?**

No.

**It doesn't?**

No, not at all. It's a normal situation that there'll be churn — especially at the lower levels or at the exit levels. It's funny; in the middle it tends to be stable. But when people are being moved out and they may not like the new assignments, they may think, "Well, it's time for me to try something different." And that has cost us one or two people this year. As the people come up, sometimes they find themselves being stymied in terms of promotion and there's real opportunities to work somewhere else.

And the other thing too is if you're going to work in Ottawa, we want you to be bilingual. Some people just don't want to do that and that's just fine. But I don't believe that the national broadcaster can cover people without — they don't have to speak both languages, but they have to understand both languages.



**As you mentioned, the CBC is appearing in front of the CRTC with other broadcasters to argue for a licence fee for television. This would be a fee that cable company providers and satellite firms would pay, not individuals, right?**

It would probably be passed through

in one form or another.

**But this wouldn't be a BBC 'tax on television' model.**

No, but if you choose to get your television via cable or satellite — and ninety percent of Canadians do that now — that the fee that the cable company charges, a certain part of that fee should go to conventional broadcasters. One of the reasons for that is we need the money.

**Do you think you'll get it?**

It's funny; I think we're closer to getting it now than we ever have been. It's been talked about for years, but I brought it back in a couple of speeches a year and a half ago. There's unanimity among the conventional broadcasters that this is the right thing to do. There's unanimity amongst our unions that this makes sense and we should do it. We're not talking about humongous fees, but we are saying that, if TSN can get \$1.28 per subscriber -- and that's the extreme -- is it not logical, when ninety percent of people watch conventional television, when the bulk of programming, first-window programming, about seventy-five percent of drama and first-window programming is made by conventional broadcasters, that we not get a fee for that, and that it not just be turned in as a freebie? And the reason for all this, why the privates are all on side, is that the advertising markets are beginning to crash.

As we get into all these new platforms, as you can get all your ads more targeted, through Internet, to distinctive people, the mass advertising market is shrinking. At the same time, we're still creating content. A lot of people in the States, as well, are making exactly the same argument. Les Moonves, the head of CBS, has said very bluntly, "It's my product. I'm not giving it away for free."

**It would also strike me that, in addition to being able to broadcast content on clearly measurable media, we're now starting to branch out into stuff like podcasts and video clips, where the metrics for measuring our reach is still in its infancy.**

That's right. What's very interesting too is the use of PVRs, how it dramatically changes people's viewing habits. There was a piece done about two weeks ago, because Nielsen is experimenting because people are demanding it. The users are demanding it. Fifty-two percent of the people who have a PVR watch the program when it's first shown. Twenty-five percent watch it within twenty-four hours, and the other twenty-five percent watch it over the period of the next week. So what you've done is you've broken down linear television. But if I deliver an audience on day one, or deliver it the next day or the day after, viewed as a producer, that's terrific. I'd like to get paid for it one way or another.

Same thing with our programming. When we put *The National* on -- I'm talking in the Eastern time zone -- at nine o'clock on Newsworld, ten o'clock on the conventional network, eleven o'clock or twelve o'clock -- now that George is

“ I don't want to make pap. What's the point? You might as well just buy the American product. on at eleven, we may not put it on at eleven -- but eleven o'clock again on Newsworld, as far as I'm concerned, because we're a public broadcaster, it's the *sum* of the people watching. It's, as they call it, the *cume*. I don't care how many people watch at ten as compared to nine. I care how many people get their news from *us*.

**One of the things with PVRs as**

**well which struck me: it would seem promotion is going to be ever so much more important, the publicity of our programming. I just think about the way I use my PVR. I will only now watch programming off the PVR. I very rarely watch live TV, and therefore I'm programming it for programming I already know about. I'm zapping through the traditional promotions, the publicity that usually goes through.**

**In an age of PVRs, how are we going to adapt our publicity and promotion of programming so that people get exposed to it and decide, "Okay, I will go out and reach out and get that"?"**

Even without PVRs, that's one of CBC Television's single biggest problems. How do you get to the audience? How are you going to have an audience if they don't know what you're showing? One of the great advantages that Global and CTV have, and I don't belittle their advantage or begrudge them, is one show promotes the next show.

**But we can do that too.**

Yeah, but we have a small audience to start with. Therefore, you're not getting the story out there. A lot of the stuff I put on PVR, quite frankly, is what I've read in the newspapers. I can't watch that much TV during the week. But if I've read in the newspaper, the one I've just finished watching, *Prime Suspect*, is going to be on and this is something I should see, it's pretty easy for me to program my PVR. It takes thirty seconds before I leave that day. My dream right now, the next step, is that I want to be able to program my PVR from not-at-my-house. When I read something in the newspaper or at the office, or somebody says, "You've got to see this show," fine. Program my PVR. That's the next step for me in terms of my

liberation, in terms of watching things when I want to watch.

You look at it in terms of defaults. When I put on the TV, I put it on first for news, second to look at my list of what's on my PVR, and then I go from there.

## Television Drama

**I want to turn back to TV drama just briefly. In the corporate plan, one of CBC TV's top three priorities was a significant increase in the amount of Canadian drama we air. But, except for a few episodes of *Intelligence* and some anomalies, my sense is that our drama programs haven't garnered that much of a strong audience on a per-episode basis.**

**Given that, and given that most Canadians seem, left to their own devices, to choose American programming, is television drama really the right format for us to be putting so much money into?**

That's a good question. I think that one of the biggest holes in Canadian culture is the fact that that we're the only country where people do not watch, first and foremost, indigenous drama. I was at a conference at the Museum of Television and Radio. Even the people who own Fox Europe say, and they have operations right around Europe, in Romania and in the Ukraine, they will bring formats, but then they make it local. I think that we have to reach out for drama. We've increased the number of hours of drama, so on a tonnage basis we're up quite significantly.

But the most important thing to

remember is this is not even the first generation that you're seeing on air. We've changed the senior staff, brought in different people. We've become much more focused in terms of talking to the independent producers about what it is we're looking for. Also, we're much more hands-on. We're working with these producers to bring in shows. But it also takes a couple of years from the time we put out the message to the time you have stuff on air, and in this business that takes anywhere between two and three years. You go into development hell, and it takes time before it comes out as a product you want to put on.

“ We tend to do these stories and the first five minutes are deadly dull. [Viewers] watch it because you want to see the people, rather than because you've been grabbed. The most disappointing one for me has been *Intelligence*, because it was new and was with a known writer and a creative person. It is a challenging program. It had excellent reviews. It hasn't drawn an audience.

#### **What does your gut say?**

It might be a bit too complicated – but it's just gut? A very senior person on the private side said to me a couple of years ago, “When people come home, they don't want to be challenged. They want light entertainment.” And that's why the American entertainment does so well. Maybe it's a bit too challenging, but then again, I don't want to make pap. What's the point? You might as well just buy the American product.

You know something? We failed in the movie industry. The audience for Canadian films, the total take on the budget basis is 1.5 per cent! And it's gone nowhere; it's just gone down!

#### **Can we train Canadians? I don't**

**want to put it that way, but can we actually train Canadians to watch Canadian drama? It seems to me that we've got such a spotty record. On the one hand, Mark Starowicz's amazing series, *Canada: A People's History* was a phenomenal success, but on the other hand we just saw *October 1970* have ratings in the fifty thousand range. How do we engage an audience if they're not willing to watch it?**

First and foremost, I think we can train people to do drama, to make drama, and put the money into helping to develop the writers and the stars, et cetera.

#### **Can we do that if we're getting them from independent producers?**

Oh, sure.

#### **How?**

What you choose to do. How you choose to do it. Who you choose to do it with. That's why [the ratings for] *Intelligence* is so disappointing, but that doesn't mean it's over. We can build an audience on that. *Dragon's Den*, which was pooh-pooed by some people, was not pooh-pooed by the twentysomethings. Using my kids as an example, they said people were talking about in the office. The audience went from about two hundred thousand in the first month, first week, up to over five hundred thousand. It peaked at about five [hundred thousand]. So there was a movement. You can build this over time. If you don't believe that, then you shouldn't be in this business. [LAUGHTER]

My feeling is, we have the quality of people, and I think we now have people who are focused more on audience than before. You can't say to Canadians, “You've got to watch this because it's good for you.” You can't

say to Canadians, “If you don't understand this, you're dumb.” You've got to pitch entertainment, pitch drama, in a way that grabs Canadians. That doesn't mean dumbing it down, but it means understanding how you grab people in the age of the zapper.

#### **So how do you balance what you've just said (that we can't dumb it down) with the realization, as you said earlier, that what people choose to watch when they come home is lighter fare, entertainment? How do we have a smart, but light program? What does that look like?**

I'll give you two examples. One's not ours, and one was ours, done with an independent producer. The Halifax harbour explosion about two years ago drew well over a million. In fact, the documentary that followed after it drew six hundred thousand because of the show. The show was factually accurate, it told what had happened, but it had a dramatic drive within it, including a love story. So it had fiction, but it had the type of fiction that draws people, around a real event. That's just an example.

The second example: CTV does this very well with their movie-of-the-weeks. *The Louise Arbour Story* was very, very good. We tend to do these stories, and the first five minutes sometimes are deadly dull. You watch it because you want to see the people, rather than because you've been grabbed. You watch it because you've been told it's going to be a good show. *The Louise Arbour Story*, for the first five minutes you saw people running through the woods at Kosovo, being attacked and all that. It's factually accurate, it is dramatic, and it grabs an audience.

#### **Hardly the feel-good hit of the summer.**

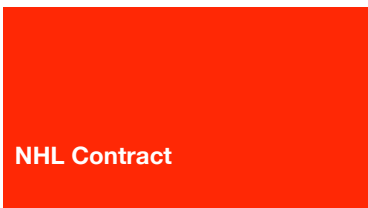
No, no. It wasn't designed to be a feel-good hit, but it was designed to grab an audience. So I think you can build on this over time. We are not, by definition, lousy at doing this. Look at the number of Canadians who made it in Hollywood. We're shipping them out! There's got to be a way to attract them. I don't think we've gone beyond the tipping point in Canada where Canadian drama will never work. If it does, it's a terrible commentary, and it's going to be very hard on the CBC. The CBC is going to be what, a documentary and news service?

**Speaking of tipping points, what do you think of this magic “one million viewers” audience target?**

I think it was a mistake. From one point of view, people are focused on it. What I think Richard [Stursberg] was trying to do was say to his people, “Wake up. Don't tell me you're happy

with four hundred thousand. Don't tell me you're happy with three hundred thousand. I want you to aim for a

reasonable number. I'm not saying do 2.5 to three million like *American Idol* or *CSI*, but I am saying you shouldn't be satisfied unless you've really stretched and thought in terms of how you're going to attract an audience.” We have had just enough successes to say it can be done, but it's not easy and I think it became the wrong issue.



**NHL Contract**

**Let's turn to the elephant in the room, which is hockey. You've said the CBC is committed to professional sports, but that we won't overpay for it. CTV is rumoured to be preparing for a \$1.3 billion bid for the NHL rights –**

\$1.4 billion. \$1.4 billion over ten years, which is \$140 million a year.

**Can or will we be competitive against \$1.4 billion?**

No. We weren't competitive when we bid US\$93 million for the Olympics, and that was a *real* stretch. We brought in two partners to help us get to that number. We felt that we did not want to commit to losing money on the Olympics, because then I'd have to take it out of drama or take it out of news. The pot is finite. CTV went and spent \$153 million to get it, and if they want to do that, they'll have it. I'm not convinced they want to do that. I think that there was a logic to their Olympic bid, and it went beyond the Olympics. It was to get a foothold in this market, which is a global TV market. So from their point of view it was a corporate thing, but, by our standards, it was an outrageous price to pay because I would have had to take money out of other programming to do that.

On FIFA, which we won against the same group, ours was not the highest bid. Contrary to what the papers said – I know, because we were told – ours was not the highest bid. It was not way off, but it was not the highest bid.

What we offered, according to the Football Association, the International Football Association thought was fabulous, and therefore they went with us.

**Can we offer whatever those side benefits were that got us FIFA? Can we offer that to the NHL?**

What we're going to do with the NHL is, from our point of view, Hockey Night in Canada is an iconic platform. There's an awful lot of people who would want us to get it, but that's not good enough. We will compete against whoever comes forward. We will bid. We will bid high, because we have to. That's the reality. But I won't mortgage the company.

**Do you think we'll get the renewed contract with the NHL?**

I think there's a very good chance that we'll get it, because we will put a lot of money into it. It will be a significant bid; there's no question about that.

It's very important to us from another point of view, because of the hours of programming involved. How do I fill those four hundred hours? And it is four hundred hours. Do I go and buy American content? I can't afford to put more stuff on TV. I don't have the money to do more product. I'm going to have to do something that will generate funds.

We were slapped about by some of our critics when the hockey strike was on, because we put on American film. They said, “Why don't you put on AHL hockey or Junior hockey?” The reason was very simple: *we need the money!* It's a terrible thing to say, but over fifty-five percent of the budget of English television comes from advertising and from marketing. So I have to therefore put forward programming that will bring in advertisers. If I put on just amateur sports, I'm drawing a hundred fifty to a hundred seventy five thousand people. We can do that as long as it's part of the package including the *professional* sports. So we will do what we can to get it, and we will push to get it, and I think we have a good chance. If our private sector colleagues decide, for their reasons, reasons known to them, that they wish to pay a humongous price, there

“ There’s a very good chance we’ll get [the NHL rights] because we will put a lot of money into it. It will be a significant bid...”

is a price at which we cannot compete.

**And what happens then?**

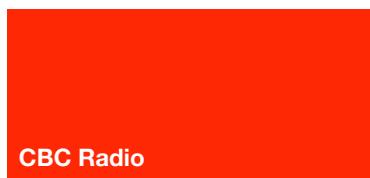
Then we have a very serious rethink to do about the future of CBC English Television.

**Has that rethink started in a contingency basis?**

No. It's too early. We still have the product for at least a year and a half. In other words, this season and the next season. I don't want to get people all uptight about the replacement programming we would have to develop, and how we would fund it, until we have to do that. It's really not fair to our partners, our colleagues.

But, at some point, presumably – I know a year and a half out might be too early, but at some point I would assume a senior management committee or someone would look at it.

I would say that if we didn't have the situation resolved at the end of this hockey season – that's a year plus away – we have to start seriously thinking, because we'll have to go to the board with some very, very difficult decisions.



**Let's talk about radio.**

Sure.

**Can you ever see CBC Radio moving to a user-pay system, like how public radio stations in the U.S. has its listeners support it in membership drives?**

I've looked at that seriously, both for radio and TV, like PBS does. I've gone down and talked to the people

involved, and they have said to me, "Don't go near this. It is an *awful* way to support a system."

**Why?**

The total money raised on the PBS side – and NPR is poor, quite frankly. If you look at NPR's structure, there's a lot of college stations, a lot of foundations, stuff like that. So let's look at PBS – for every dollar they raise through their fundraising, which drives people crazy to start with, it costs 48 cents per dollar raised. It's the most inefficient system of raising money you can think of. You've got to pay for rights, you've got to pay for that phone system, and everything else, the gifts you give, et cetera. It's not all donated. The average cost per dollar raised is 48 cents, so it's a hell of a way to do it.

**Is it something we might have to, though? Or would that be a last priority?**

It's more than a last priority. It's almost a death knell. With all of the fundraising that they do, PBS raises \$330-350 million from the public.

**With ten times the amount of population.**

Yeah. So, you do your own numbers.

Remember, our responsibilities are coverage of the country; our responsibility is news and current affairs. PBS does one or two shows, it does *Frontline*, but not many copies a year. It does *Lehrer Report*, which is basically talking-head. We're not in the same league. We have correspondents around the world, and we have people, a huge operation. We're a very large news operation, but it costs a lot of money.

**What is this CBC Foundation idea, then, that I saw in the corporate plan? Could that help?**

The CBC Foundation is still nascent.

I have thought it would make some sense, like some of the other cultural agencies in this world have done, to create something where people could give money to the CBC. There's a lot of people who have said to me, from time to time, "I'd like to make a donation, but I don't want to give it to the government. I want it to go to the CBC and stay in the CBC." So, we've been playing around with the idea of setting up a foundation, and hopefully there's a Mrs. Croc out there like there was for NPR. She gave \$200 million. I'll take half of that. [LAUGHTER] So, it can become a place for people who want to support public broadcasting to aid and assist us.

The second use for it is going to be, as we're developing this – and I'm still not sure which one is going to dominate at the end of the day; it's still a work in progress – I believe the CBC has a civic responsibility to work with third-world countries. I think that public broadcasting is the core to the democracy. Good journalism is a core to a democracy. It's got to be independent, but it's got to have to have a skill level. I think it's critically important that CBC reach out and work with organizations in other countries.

Which we're doing through the training programs. As an example, we did this through the AIDS conference. We made a deliberate decision that our contribution to the AIDS conference would be two-fold. Number one: we would be the broadcast sponsor and be the host broadcaster, so whatever came out of it would be made available around the world. Number two: we would do training right then and there with people. Because again, the story's got to be local. So you train the people. You don't just send them a tape about how to explain AIDS. The way it's done in India is dramatically different from the way it's going to be done somewhere else. We thought that a

real contribution we could make, a societal contribution, was to help train the people who would then do the stories.

So, to get that money for that, because we can't use our own resources, we have to have something which is independent of the Corporation. It's something to which people can contribute knowing that the money's going into this foundation to be used for that purpose.

**So, this would be a foundation that would fund things that the CBC leadership believes are important, but which lie outside of the Broadcast Act. Is that accurate?**

Well, it's outside of the Broadcast Act. We don't

necessarily feel it's important, it'll be a joint thing from a country – Malawi came to me, the broadcaster there, and said, “We're desperate for help in training. Can you help us? Harold Redekopp has just spent the last year working with the Barbados Broadcasting Corporation as they redo their Act and try to establish a broadcaster independent of the government, so that the minister cannot phone up at night and say, 'Hire my brother!' So, what are the controls and constraints? What can we learn from Canada?” We're not America, and people look to us that way.

**What else would it fund?**

Well, the main thing I see it funding is training. That's the main thing. It may do some programming, but the primary thing it would be doing is training.

Does that at all confuse the funding with – I'm thinking of

members of Parliament. Would it not be easier to just go for an increase and let that stuff come out of that? Is it a concern of yours that it seems to be splitting the pot, or does it really not matter?

No, I think it's worse than that, Tod. I don't think there's any appetite in the government to give us more money, period. So, if we're going to do this civic role, or if we want to create something where people can say, “Hey, I'd really like to help the public broadcaster;” I think we have to set up a separate entity.

**Back to radio. Think forward ten years. The 2010 Olympics are behind us. When I turn on my radio to CBC Radio One, what do you think it will sound like? Specifically, what'll that day sound like on the radio?**

That's very interesting. I think Radio One will not be that different. It'll have a different mix of different programs, but I think it's going to be a locally-based service which has within it survival information –

**More locally-based than we're doing now?**

Well, let me put it this way. I think we'll do more national programs locally. In other words, they won't be Toronto-centric. *Sounds Like Canada* is done out of here. I think that's the step in that direction, I think we'll be doing more like that.

What I think is going to happen, though, is that people are going to use their iPods more, in order to download our programming so that they can listen to it when they want to. I think if they can figure out a way to analyze more carefully the audiences, we'll find that the skew for Radio One will be less, in terms of the total, not necessarily listening to it through radio when it's actually played. But the *total* audience listening, as we're beginning to see

already, will begin to skew to an 18-35 year old group that are doing more and more on iPods, on the Internet, on other technological ways of delivery. I think more people may get their radio through satellite as that develops, although, quite frankly, though we're in Sirius in a big way, I think it's a niche player. It's never going to replace other things. It's more of a national service. So, I think we're going to see a mix from that point of view. I think Radio Two will change significantly.

All this is, of course, on the assumption that the government allows us to continue. But I think the public would squawk very loudly if they thought they were losing radio.



**Speaking of iPods and things like that, we've embarked on some “foot in the water” projects. We've got a batch of podcasts we're running. We're occasionally putting videos up on YouTube. Of course, we have some up on our website.**

**To my reading, and perhaps this is editorializing a bit, I don't sense a concrete strategy for the digital era. What is our specific long-term strategy for CBC in this online world?**

The long-term strategy is to be there for the audience. The short-term strategy is to rethink and develop what we're doing. You're absolutely right. We lost a very critical person when Claude Galipeau left to go to Alliance, and we have to restructure and rethink how we're going to use this service. The French now call themselves Radio-Canada, and under it, they say, “Télévision, Radio, Internet.” I think that's the future.

“More involvement is going to come from the amateur who catches the picture and sends it in.”

Whether it's iPods or whatever, it'll come out in many many different ways, and you're much better at predicting what's going to happen in the next five years than I am. It's going to be many different ways, but it's going to be back to what we're talking about before. We have to make the programming available to Canadians when they want to watch it.

**Can I interpolate what you're saying? Tell me if I'm inaccurate. Does that mean that we take our existing programming and put it out on all these different devices? Do we do that to the exclusion of creating content specifically for those channels?**

No. I think you're wrong. [CHUCKLES] I hope you're wrong. I think that was Generation One. Generation 1.5 is expanding the possibilities of what we put on, but Generation Two is two-fold. Number one: it is developing programs unique to the service, the delivery platform. And it is getting better feedback mechanisms from our public. I think you're also going to see that on television and radio, if you look into the future, that more and more involvement is going to come from the amateur who catches the picture and sends it in, or feedback loops with the public. I think we'll always have editors, I think we'll always have professionals, but I think there'll also be much more input from the public in these areas.

One of the things we've just announced, and the formal opening is Monday afternoon, is *RCI Viva*, which is a program, solely Internet, just like Radio 3 was until we got them up on the satellite and found them space. So things are going to migrate.

*Viva* is RCI, Radio-Canada International. It broadcasts, in eight languages, to foreign countries, to foreign people. Why not broadcast

those eight languages to Canadians? Why not have a service designed to tell new Canadians about what we're telling foreigners? We're getting two hundred and fifty thousand new people a year. So *RCI Viva* went out about a week or two ago, and the formal [launch] is Monday. And the whole idea is to, in the eight languages, which are the core languages that we work with – the costs to us, in terms of new costs, are minimal – to try and service Canadians, and then migrate them to our regular services.

**Do you think that one day the Internet be the regular service?**

Oh, yeah. There's no question about it in my mind. But what does that mean? Does it mean IP TV, or does it mean completely different types of services? IP TV is just, as conceived by Telus and Bell and all, is this massive server that has thousands and thousands of different programs on it, and they can download them to you if they can ever solve the problem of bandwidth. In the States, Verizon has said, "There's no way to solve that problem. We're going to have to go with fiber to the home." Others think there are ways with ADSL. We're skeptical. There are financed limits to the bandwidth issue. But all that, really, is delivering the existing programming using a different technology.

### The Critics

**What's the biggest misconception about the CBC, and the one that the critics get wrong the most, that you'd like to correct?**

The single biggest thing that they get wrong... well, talking about things like

programming and all that...

**I'm talking about the pet peeve of yours. What's the biggest thing that just gets under your skin?**

The pet peeve is when I read that a billion dollars is in English television. Our whole *budget* is \$1.3 billion. \$265 million is in English television, plus what else we can raise. So the fundamental lack of understanding of the breadth of the CBC, and how little a billion dollars is when you think of all the services we have, and how *underfunded conceptually* this public broadcaster is. My core belief is, we as a country need a public broadcaster. We need an independent, Canadian view of news, events and drama. Those are the key elements. What bothers me is that I'm running a radically underfinanced operation.

**And what about the CBC do you concede the critics are absolutely right to criticize?**

I think there are times when we are arrogant. There are times when we'd like to tell the public, I would say even on radio, or even especially when radio comes up, that we know what you really want. And, as I said before, I think we don't create and generate our programs the way we really are. We are not as market-sensitive as we should be. I think there is, to a certain extent, in the CBC a left-of-centre bias, where I happen to be comfortable. We're a bit too Toronto-centric, and on the French side a bit too Montreal-centric. That really grates people, and rightly so.

### Rabinovitch's Legacy

**When I was in j-school, what**

**they taught me to do at the end of an interview was to ask an easy question. And I was reflecting earlier before I came in here that this might actually end up being the hardest question, so I'll let you figure out whether it is or not.**

**You said you'll leave the position in about a year from now, after your term expires. What are you planning to do after you leave?**

That's a very good question.

**But is it an easy or hard question?**

It's both easy and hard, because I haven't given it a lot of thought. I will be sixty-four, going on sixty-five. I've had a great career. I couldn't have asked for a better career, but it's time for me to do different things. As you probably know, I'm also Chair of the Board of Governors of McGill University, so I want to get back into more in the not-for-profit sector. It's just my background, and what I want to do. I've just gone onto the board of the McGill University Health Centre. That's more than anything else a testing for me, because I don't know anything about the health field, but I know how important it is, and I was asked to go on that board.

I'd like to do a bit of some corporate boards, because I still believe in the corporate side of life. And my wife wants to do more skiing. [LAUGHTER]

**So when history, say, fifty years from now, looks back on your term, what do you want it to say? "Robert Rabinovitch's term at the CBC was..." ?**

It won't be fifty years. It'll be five or

ten. In fifty years, it'll be all forgotten. Who remembers Alphonse Ouimet? And yet, he brought in colour TV. I don't believe in that. That's why I'll never write my memoirs.

What I'd like to believe in is that I always understood the difference, I think, between the creators and the managers, and I'm a manager. My job was to make this more into an integrated institution: break down the silos between radio and TV, get us prepared, use our tremendous advantages that we have so many quality people in radio and TV and we can learn from each other. And that we can we can create and move into the Internet. So, what I would love to, as one of my main elements (other than getting some new buildings for us through some damn good business deals), is to get the CBC, Radio-Canada, separately and together, to think of themselves as one company, not as a series of individual entities.

**And, objectively speaking, do you think you've achieved that?**

I think I'm way down the way, and it's not only me, but my whole senior management committee and team. I think that, on the French side, we've even done away with one of the vice-presidents, and we now have a Vice-President French Services. So I think we've made tremendous progress in that direction. On the English side, I think we've made tremendous progress and you'll see more coming out over the next little while, especially as we go more into the next stage of news integration and develop more locally-based operations.

But I'm not naive. I know that the forces that pull us apart are always going to be there — even within the organization. People's loyalties tend to be to their program, to their area, more than to the corporation as such. So, as long as it's in people's interests to work together, as long as there's the drive from the top, yes, I think this is

the way we're going to go. But can I assure you it's going to happen in five to ten years? It'll depend on my successor, on what his or her priorities are. It'll depend on how the people here see this. You know, they say, "No, this is a silly idea," then it'll go the way of the dodo bird.

**Thank you for your time.**

Thank you, Tod.

“ I'm a manager. My job was to make this more into an integrated institution.

Thursday, November 23

## 'Dragon's Den' entrepreneurs take swipe at CBC following collapse of financial deal

**EXCLUSIVE** A small Toronto company is taking issue with **CBC Television's** editing decisions, following a dramatic episode where their University professor and mentor squandered a deal between the company's founders and venture capitalists.

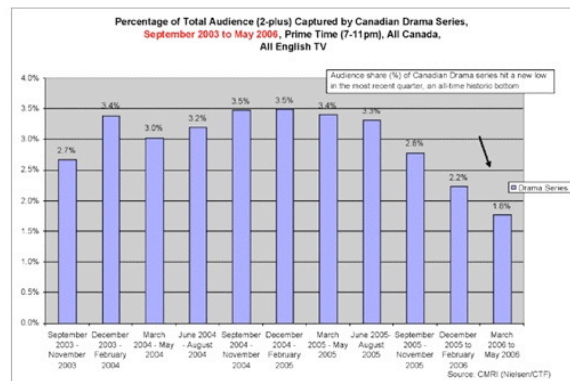
The entrepreneurs behind JobLoft.com appeared on *Dragon's Den* and impressed the VCs enough to get a promise of \$200,000 in seed money. However, at a follow-up meeting, the young partners brought in their mentor, a University business professor, who lobbed insults at the venture capitalists. The VCs, unimpressed with the professor and the entrepreneurs' inaction during the heated exchange, took their offer off the table.

On its official blog, the company told **their side of the story**, saying "[CBC] producers have a magical way making things look and feel a certain way for television."

"So what was our advisor trying to say that the CBC couldn't (or wouldn't?) show in a span of 3 minutes? Well, the dragons were talking about how to spend the \$200,000 on marketing to employers ONLY. Dr. Norrie merely highlighted the fact that we should not focus only on employers but market to both job seekers and employers," read the blog posting.



## Canadian television drama viewership plummets



The total audience captured by Canadian drama series (across all TV networks) has dropped by half in a year. Viewership fell to 1.8% in March/May 2006, just half the level in March/May 2005.

By comparison, American and other foreign drama shows accounted for 27.4% of total viewing.

**SOURCE** Canadian Media Research Inc.

## If Adrienne Arseneault were a robot...

...she'd look like this.

CBC's London correspondent Adrienne Arseneault is a robot. Well, maybe not in this life, but in the virtual world Second Life, she's "Truly Magnolia," a virtual reporter. You can [read and watch Adrienne's excellent report about Second Life](#).

I'm Davo Nabob there, incidentally. I'm wearing the superman cape with a CBC t-shirt over it. Go ahead, laugh, punk. I also bought some muscles.



[Comments \(1\)](#)

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