

Mr. Fraser pointed out that Mr. Bassett had made a statement to the press to this effect. Mr. Ouimet pointed out further that even excluding the CBC's stations in Ottawa, Montreal and Toronto, or five in total, it would cost just as much to operate the network from Kenora to St. John's. The Corporation would have to supply programs during the Big Four broadcasts to these stations, which would result in an additional cost to the CBC. Mr. Fraser further stated that Mr. Bassett's sponsors would have the choice of which areas would receive the telecast.

Mr. Ouimet re-stated that although this free offer was never made clear, it has united the affiliates and CBC in a very strong fashion, which should be quite impressive to the BBG. The Corporation has a resolution from the affiliates regarding football, stating that they are solidly behind the Corporation. As a result, there exists now a public and private TV team, made up of the Corporation and its private affiliates that are very strongly opposed to any splitting of the network.

Mrs. Armstrong was under the impression that the successful bidder had also negotiated for the film rights and asked whether this had ever occurred before and why the Corporation had not applied for these. Mr. Fraser replied that the Corporation has now been told that Mr. Bassett does not possess the film rights.

Mr. Walker pointed out that the rights for broadcasting alone were very expensive and the Corporation had previously only considered these rights. In the past, the breweries had purchased the film rights for public relations purposes. Mr. Walker stated that he had no idea how much film rights would cost but in his opinion they would exceed the \$20,000 differential which existed between the Corporation's bid and CFTO's bid.

Mr. Dupuis inquired whether the film rights were even available at the time of bidding, to which the President stated as far as he knew they were not. The Vice-President said that to the best of his knowledge film rights had always been bid for separately and that the Corporation had never been interested. Mrs. Armstrong reiterated that the public was only aware that the CBC was bidding for one thing, i.e., the Big Four TV telecast rights, while other parties were stating that they were bidding for TV rights as well as film rights.

Mr. Fraser informed the Board that the Corporation now intends to go back to the Big Four and review those things which happened that were certainly not in the interest of the public and suggest that all parties get together to discuss the future of football TV coverage.

In summation, the Chairman stated that Mr. Bassett had the rights to broadcast TV football for the 1961 and 1962 seasons. In order to get his money back from this venture, he would have to obtain network facilities. Two alternatives would be: (1) appear before the BBG and ask for a temporary network linking Toronto, Montreal and Ottawa for thirty days at a time, and assurance that he would be given a renewal on this basis for the second year or (2) hook up with Mr. Caldwell, who we were led to believe would not be on the air in time for the football season, but will now be able to meet the deadline. The Corporation does not have the rights for Big Four football telecasting this year, but to keep our affiliates happy, the Corporation has purchased a 52-week sports package from Carlings so that CBC viewers would have sports broadcasting on weekends. The Corporation will appear next week before the BBG, and will oppose any request that Mr. Bassett might make for a temporary network, particularly on the basis of it being renewed from month to month.

Mr. Ouimet confirmed that Mr. Dunsmore's summary was correct but stated that if the Corporation opposes Mr. Bassett's application, it would then appear that the CBC would be supporting Mr. Caldwell. If Mr. Caldwell appears before the Board first, asking permission for his permanent network, this could result in quite a competition between CFTO-TV and Mr. Caldwell. Since the Corporation is no longer in a position to use the TV rights, the Corporation cannot oppose the broadcasting of Big Four games, but