

The President stated that Mr. Caldwell had been given authority to form a second network and that he probably would appear before the Board next week with an application to operate, but that he would require an affiliation agreement of at least six stations. There is the problem, however, that Mr. Caldwell may not be able to get his network operative in time for football, in which case CFTO then would try to operate on a three-station temporary network basis.

To re-acquaint the Board members with the policy that the Corporation had been using to date, the President read condition 8 on page 3 of a BBG press release dated June 30, 1960 which read as follows: "No television station may be affiliated with more than one Canadian network; but the affiliation agreement between a network and the station may not prevent the station from securing particular programs or series of programs from another network in Canada. This condition does not apply to temporary networks that may be approved by the Board under Section 13(4) of the Broadcasting Act." The President then read from the written report submitted to the BBG in September, 1960 and reviewed pages 11, 12, 13 and 14 of the oral presentation made to the BBG at that time dealing with this subject. Mr. Ouimet recalled that this was reported to the 12th meeting of the Board of Directors at its September meeting and this was accepted at that time as the Board's policy.

At 10:00 a.m. the Vice-President, Corporate Affairs (Mr. Fraser) and the General Manager, English Networks (Mr. Walker) joined the meeting.

The President recapitulated for the members of the Board the negotiations the Corporation had prior to and following the awarding of the 1961 Big Four TV football rights with the BBG, Mr. Bassett and Mr. Aldred. (Full details of these negotiations are outlined in the minutes of the 33rd Executive Committee meeting held in Ottawa on March 10, 1961.) The President stated that following final attempts to secure the Big Four football rights for the Corporation even to the extent of allowing CFTO-TV Toronto to duplicate telecasts in the Toronto area, which seemed to interest Mr. Bassett, Mr. Bassett later called the President to state that his commitments to the second stations in Ottawa, Montreal and Toronto made it impossible for him to accept the Corporation's offer. The President then advised Dr. Stewart that the Corporation was going ahead with its plans to negotiate for a sports package and that it was very important for the Corporation to consult and obtain the support of the CBC affiliates. Mr. Fraser attended a meeting of the affiliates in Vancouver which confirmed that they would fully support the Corporation and that the sports package seemed to offer great attraction.

Mrs. Aitken asked if it was known whether the decision to allow a temporary network was that of Dr. Stewart, the three permanent members, or the full fifteen members of the BBG. She stated that the impression was that the whole Board had been notified of this arrangement and were thoroughly cognizant of the complete situation. The Vice-President advised that the Board of Broadcast Governors' press release dated March 9, 1961, under Section 3(a) of the agenda report stated: "At the meeting on February 25, the Board of Broadcast Governors discussed the announcement by Mr. Joel Aldred, President, CFTO-TV Toronto, that the station had purchased the rights for two years to broadcast the Big Four football games".

In reply to a question by Mrs. Carter regarding Mr. Bassett's offer to supply Big Four TV football rights free of charge to the Corporation, the President stated that when discussing the broadcasting of the TV rights with Mr. Bassett, he pointed out that the Corporation would not permit any private parties to use CBC microwave facilities or CBC affiliate stations. When Mr. Bassett realized that the Corporation was not going to make available its facilities, he informed the President that he was going to let the Corporation have the rights for nothing and wondered how the Corporation would deal with this offer. The President stated that to date he has never been able to find out exactly what was meant by this free offer, but Mr. Bassett did indicate that if the Corporation were to accept, that CBC would have to agree to his sponsors.