

2. Performance

2.1. Strategic Indicators

Measuring our success against Strategy 2015: *Everyone, Every way*

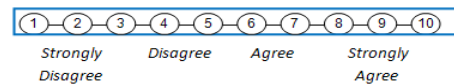
A central feature of Strategy 2015 is the establishment of metrics to track and assess our performance. We have developed a report card that allows us to monitor how well, according to surveyed Canadians, our services fulfill the Corporation's mandate under the *Broadcasting Act*, and the degree to which our programming adheres to the guiding principles of our new plan. Below is the report card for 2011–2012, the first year of implementing the new strategy. It shows our progress compared to the benchmark year 2010–2011.

Report on French Services

How well does French Services fulfill its mandate under the *Broadcasting Act*?

Radio-Canada's radio and television programming...	Year 2011-2012	Benchmark Year 2010-2011
	Average Scores (/10)	Average Scores (/10)
is informative	8.2	8.1
is enlightening	8.0	7.8
is entertaining	7.8	7.7
is available on new platforms	8.2	8.0

Metric definition: Average score is the average of the scores given by all respondents on a 10 point scale.



Source: TNS Canadian Facts (1,200 Francophones per survey for a total of 2,400 Francophones per year resulting in a very small margin of error).

The telephone surveys are conducted in November and March of each year.

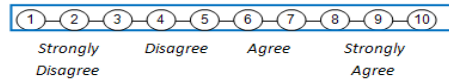
In the first year of Strategy 2015, Radio de Radio-Canada and Télévision de Radio-Canada programming maintained results obtained in 2010–2011, with Francophones continuing to feel that CBC/Radio-Canada's French Services is fulfilling its mandate under the 1991 *Broadcasting Act*.

French Services received high scores for each aspect of its mandate that was measured, ranging from 7.8 (entertaining) to 8.2 (informative and available on new platforms).

How does French Services’ programming fare against the guiding principles of Strategy 2015?

Radio-Canada's programming ¹ ...	Year 2011-2012	Benchmark Year 2010-2011
	Average Scores (/10)	Average Scores (/10)
is high quality	8.4	8.2
is different from that offered on other channels	7.9	7.6
reflects regions of Canada	7.7	7.5
reflects my region	7.1	6.8
reflects diversity	7.6	7.3
reflects my culture	7.6	7.4

Metric definition: Average score is the average of the scores given by respondents on a 10 point scale.



¹ Programming and content offered on any of our services, i.e., Télévision de Radio-Canada, RDI, ARTV, Première Chaîne, Espace musique, Radio-Canada.ca and Tou.tv.

Source: TNS Canadian Facts (1,200 Francophones per survey for a total of 2,400 Francophones per year resulting in a very small margin of error).

The telephone surveys are conducted in November and March of each year.

Francophones are responding positively to initiatives French Services has announced or introduced since the launch of Strategy 2015. Scores for each of the Strategy 2015 metrics, which measure whether French Services’ programming offers original, innovative, quality Canadian content and whether it reflects Canadians and draws them together, increased compared to the benchmark year 2010–2011.

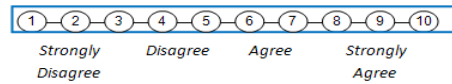
French Services’ programming and content received its highest scores for being of “high quality” (8.4), while its lowest score was recorded for the measure “reflects my region” (7.1). As part of Strategy 2015, French Services will continue to work towards better meeting the regional needs of Canadians.

Report on English Services

How well does English Services fulfill its mandate under the *Broadcasting Act*?

CBC's radio and television programming...	Year 2011-2012	Benchmark Year 2010-2011
	Average Scores (/10)	Average Scores (/10)
is informative	7.9	7.8
is enlightening	7.5	7.4
is entertaining	7.4	7.2
is available on new platforms	8.2	8.2

Metric definition: Average score is the average of the scores given by all respondents on a 10 point scale.



Source: TNS Canadian Facts (1,200 Anglophones per survey for a total of 2,400 Anglophones per year resulting in a very small margin of error).

The telephone surveys are conducted in November and March of each year.

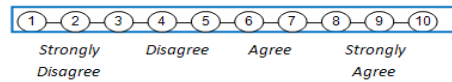
During the first year of Strategy 2015, English Services' radio and television programming maintained its 2010–2011 benchmark results.

Anglophones continue to perceive that CBC/Radio-Canada's English Services is meeting its mandate under the 1991 *Broadcasting Act*. Its highest scores were for providing content that is "available on new platforms" (8.2) and "informative" (7.9).

How does English Services' programming fare against the guiding principles of Strategy 2015?

CBC's programming ¹ ...	Year 2011-2012	Benchmark Year 2010-2011
	Average Scores (/10)	Average Scores (/10)
is high quality	8.1	8.0
is different from that offered on other channels	7.5	7.2
reflects regions of Canada	8.0	7.9
reflects my region	6.3	6.1
reflects diversity	7.7	7.4
reflects my culture	6.8	6.5

Metric definition: Average score is the average of the scores given by respondents on a 10 point scale.



¹ Programming and content offered on any of our services, i.e., CBC Television, CBC News Network, **bold**, *documentary*, CBC Radio One, CBC Radio 2 and CBC.ca.

Source: TNS Canadian Facts (1,200 Anglophones per survey for a total of 2,400 Anglophones per year resulting in a very small margin of error).

The telephone surveys are conducted in November and March of each year.

Anglophones are responding positively to the initiatives that have been announced or introduced in year one of Strategy 2015.

Scores for every Strategy 2015 metrics, which measure whether English Services' programming offers original, innovative, quality Canadian content and reflects and draws Canadians together, increased compared to the benchmark year 2010–2011.

The biggest movements compared to the benchmark year were with respect to differentiation, reflection of “my region,” diversity and culture, which were all favorable. Better meeting the regional needs of Canadians is a key priority of the new strategy and we will continue to monitor perceptions using these metrics.

Measuring our Canadian Content

Providing Canadian programming is key to Strategy 2015. Regulatory requirements regarding Canadian content on television are also specified by the CRTC.

The CRTC sets expectations of service for both Télévision de Radio-Canada and CBC Television.

First, for the broadcast day between 6:00 a.m. and midnight, a minimum of 75 per cent Canadian content is expected. Second, for the peak period of 7:00 p.m. to 11:00 p.m., a minimum of 80 per cent Canadian content is expected. Both measures are averages over the entire broadcast year from September 1 to August 31.

Results for the most recently completed two broadcast years are shown in the table below. In each of these years, both Télévision de Radio-Canada and CBC Television exceeded the CRTC's Canadian content expectations both over the broadcast day and in prime time.

Canadian Content	Results Sep. 1, 2010 to Aug. 31, 2011	Yearly Regulatory Expectations	Results Sep. 1, 2009 to Aug. 31, 2010
Télévision de Radio-Canada			
Broadcast day (Mon-Sun, 6:00 a.m.-12:00 a.m.)	86%	75%	82%
Prime time (Mon-Sun, 7:00 p.m.-11:00 p.m.)	93%	80%	88%
CBC Television			
Broadcast day (Mon-Sun, 6:00 a.m.-12:00 a.m.)	84%	75%	85%
Prime time (Mon-Sun, 7:00 p.m.-11:00 p.m.)	82%	80%	82%

2.2. Operational Indicators – French Services

Operational indicators include measures of audience share, website visits, subscriber counts and revenue generation.

Performance Table – French Services

French Services		Past Performance			Future
		Annual Results 2010-2011	Annual Targets 2011-2012	Annual Results 2011-2012	Annual Targets 2012-2013
Radio Networks					
Première Chaîne and Espace musique	Full-day audience share ¹	19.5%	19.5%	17.8%	16% ²
Television					
Radio-Canada	Prime-time audience share Fall/ winter season ⁶	19.9%	19.3%	18.7%	18.2%
Specialty Channels RDI, ARTV, Explora ⁷	Full-day audience share Fall/ winter season ⁸	4.5%	4.5%	4.6%	4.7% (April - March) ⁵
Regional					
Première Chaîne	Morning shows audience share Mon-Fri 6-9 a.m. ¹	19%	19%	17%	16% ²
<i>Téléjournal 18h</i>	Average viewer per minute Weekly average Mon-Fri 6-6:30 p.m. Fall/ winter season ⁶	317,000	323,000	291,000	290,000
Regional web pages	Monthly average unique visitors Sep-Mar ⁴	447,000	458,000	476,000	497,000 (April - March) ⁵
Website ³					
Radio-Canada.ca, TOU.TV, Bandeapart.fm, RCI.net, Espace.mu	Monthly average unique visitors Sep-Mar ⁴	2.0 million	2.1 million	2.1 million	2.1 million (April - March) ⁵
Specialty Television Channels					
RDI	Subscribers	11.0 million	11.0 million	11.7 million	11.8 million
ARTV	Subscribers	2.1 million	2.1 million	2.1 million	2.1 million
Revenue ⁹					
Conventional, specialty, online		\$224.9 million	\$230.0 million	\$228.6 million	\$252.1 million ¹⁰

¹ Source: BBM Canada, fall survey (diary), persons aged 12 years and older.

² Source: BBM Canada, spring and fall 2012 surveys (diary), persons aged 12 years and older.

³ Espace.mu was introduced on June 13, 2011. RCI Vision was introduced on June 20, 2011, and results are included with RCI.net.

⁴ Source: comScore, persons aged 2 years and older.

⁵ In 2010–2011 and 2011–2012, measurement was based on the television season (i.e. September - March). In 2012–2013, measurement will be on the fiscal year (April - March).

⁶ Source: BBM Canada, Personal People Meter (PPM), Quebec francophones aged 2 years and older.

⁷ Explora was launched at the end of March 2012, not included in Results 2011–2012 thereof.

⁸ Source: BBM Canada, Personal People Meter (PPM), Quebec francophones subscribing to a television distribution service, aged 2 years and older.

⁹ Includes revenue from LPIF, a fund created by the CRTC to support local programming. It is available to conventional television stations operating in non-metropolitan areas. In 2010–2011 and 2011–2012, measurement excluded merchandising/licensing revenues which are included in targets for 2012–2013.

¹⁰ ARTV also included in 2012–2013 targets.

2011–2012 Results – French Services

In 2011–2012, Radio-Canada experienced some strong successes, coupled with more modest results that must be considered in light of a shifting competitive environment and strategic decisions made with long-term results in mind.

Having captured a combined market share of 17.8 per cent, the Première Chaîne and Espace musique radio networks fell short of their established target, 19.5 per cent. Morning shows in regional markets performed in a similar manner, attracting a 17 per cent share – 2 points less than the target. Our Strategy 2015 framework includes plans to make our radio services even more innovative. Scheduling changes in the early fall upset listening habits, while at the same time, competition intensified in the extended Montreal market and the regions.

Radio-Canada has retained its competitive positioning on its digital platforms. With a combined monthly average of 2,137,000 unique visitors, Radio-Canada sites (Radio-Canada.ca, Tou.tv, RCInet.ca, bandeapart.fm, and the recently launched espace.mu) posted a combined 6 per cent increase in reach over the same period (September to March) last year. The regional section redesign on Radio-Canada.ca has also paid off – with 476,000 unique visitors, we exceeded our target of 458,000 and we also extended our regional sites' reach by 2 per cent compared to last year.

Thanks to a creative, diverse programming line-up and solid results in the fall and holiday seasons, Télévision de Radio-Canada achieved a prime-time share of 18.7 per cent for the regular season. This was below its 19.3 target due to the impact of fierce competition through the winter.

Despite our strong commitment to news, with an average audience of 291,000 viewers from 6:00 to 6:30 p.m. during the regular season, regional newscasts did not achieve their targets. Overall, there were fewer television newscast viewing hours by francophone viewers this year. Newscasts also experienced more competition from entertainment programming at supper hour.

Radio-Canada's specialty channels had a good year. ARTV and RDI recorded a combined share of 4.6 per cent, edging out their 4.5 per cent target. As a result of the transition to digital transmission, and the subsequent increase of cable and digital subscriptions, RDI boasted 11.7 million subscribers, up 5 per cent from last year. ARTV maintained its subscriber base of 2.1 million.

With subscription and digital-content revenue performing well, total self-generated revenue for Radio-Canada achieved 99 per cent of its target, with a year-end total of \$228.6 million.

Strategy 2015 Future Directions

Increasingly, audiences have more choices to engage with our content and these choices include on-demand digital offerings. The broadcast and distribution industry has never been more vertically integrated, creating high synergy potential for our main competitors for audiences' time and focus, and for advertising dollars.

We continue to focus on achieving the objectives and serving the priorities of Strategy 2015: Canadian programming, the regions and digital platforms. As we work to keep pace as a modern public broadcaster, efficiency and innovation are key principles.

Reduced funding over the next three fiscal years, as a consequence of the federal government's Budget 2012 initiative, will significantly affect programming and operations. Senior management will focus for much of the upcoming year on implementing the necessary changes and managing impacts on the Corporation and its stakeholders. Strategy 2015 continues to guide our decision-making.

French Services remains strongly focused on fulfilling its Strategy 2015 commitments, with an emphasis on maintaining its ability to create and innovate so that it can bring Canadians relevant, compelling programming.

Targets for 2012–2013 have been set with these factors in mind.

More distinctly Canadian

Providing French-speaking Canadians with original content in their own language that tells their stories and reflects their realities, and informs them about events in their region, across the country and around the world, is central to the public broadcaster's programming strategy.

Radio-Canada will explore new drama and entertainment formats on our main network, while seeking to be the leader in 24-hour multiplatform news by further enhancing our flagship newscasts, both at the national and the local levels. Where music is concerned, Radio-Canada plans to maintain a strong presence, as well as unparalleled programming across all its platforms, with a focus on genre diversity, musical discovery, and original production.

When setting its targets for 2012–2013, Radio-Canada took into account the reduced funding as noted above, as well as the competition, and the impact of changes in the technological environment on consumer behavior.

Finally, Radio-Canada remains firmly committed to ensuring that its programming reflects the diversity of cultures and voices that make up contemporary Canada.

More regional

The opening of a new multimedia centre in Rimouski by late summer 2012 to serve Eastern Quebec will mark the final phase of Radio-Canada's nation-wide multiplatform rollout. Radio-Canada will continue forging local ties with the French-speaking communities it serves across the country, while also further expanding its web and mobile offering and renewing Première Chaîne's regional lineup from coast to coast. Our regional key performance indicator (KPI) targets reflect a slight reduction (on radio), maintenance (on television) and increase (online) of performance on these measures in 2012–2013.

More digital

Radio-Canada will redefine its leadership in the French-language media landscape by more fully leveraging digital technology within all French Services components. Initiatives will include developing a content rollout strategy for social media, releasing new mobile apps, and overhauling the Radio-Canada web offering.

Radio-Canada will also be expanding its speciality line-up by building on Explora and launching a new digital channel devoted to showcasing the public broadcaster's video archive.

For web and specialty channels, targets have been adjusted for measurement on a full year basis, better reflecting and measuring the success of the service delivered. The targets for 2012–2013 are set to maintain the overall full-year share in specialty services compared to 2011–2012, and to increase the reach online.

Transformation to invest in strategy and manage financial pressures

Media industry realities, coupled with the need to adapt to a new financial framework, have prompted Radio-Canada to examine the way it does business, as well as transform and streamline its production methods and management structures. This will allow it to reinvest in programming and move forward with its strategy. Radio-Canada wants to become an even more agile, creative and innovative organization, capable of generating new revenue, as reflected in its targets, while running its operations efficiently and transparently.

2.3. Operational Indicators – English Services

Operational Indicators include measures of audience share, web-site visits, subscriber counts, and revenue generation.

Performance Table – English Services

English Services		Past Performance			Future
		Annual Results 2010-2011	Annual Targets 2011-2012	Annual Results 2011-2012	Annual Targets 2012-2013
Radio Networks					
CBC Radio One and CBC Radio 2	All-day audience share ¹	14.7%	14.9%	14.5%	14.3%
Television					
CBC Television	Prime-time audience share Regular season ³	9.3%	9.3%	8.6%	8.1%
CBC News Network	All-day audience share Regular season ³	1.4%	1.5%	1.4%	1.4% (April - March) ⁷
Regional					
CBC Radio One morning shows	Average weekly hours tuned (Mon-Fri) Regular season ³	4.8 million	4.8 million	6.0 million	6.0 million
TV supper and late-night news	Average weekly hours tuned (Mon-Fri) Regular season ³	3.1 million	3.1 million	3.3 million	3.5 million
Regional web pages	Monthly average unique visitors Sep-Mar ²	0.90 million	0.93 million	0.94 million	0.975 million (April - March) ⁷
New Platforms					
CBC.ca	Monthly average unique visitors Sep-Mar ²	5.8 million	6.0 million	6.2 million	6.5 million (April - March) ⁷
CBC News Online	Monthly average unique visitors Sep-Mar ²	4.0 million ⁵	4.1 million	4.3 million	Discontinued
CBC Sports Online	Monthly average unique visitors Sep-Mar ²	0.9 million	1.0 million	1.1 million	Discontinued
CBC Entertainment Online	Monthly average unique visitors Sep-Mar ²	1.9 million	2.0 million	1.8 million	Discontinued
Specialty Television Channels					
CBC News Network	Subscribers	11.0 million	11.1 million	11.3 million	11.4 million
bold	Subscribers	2.2 million	2.6 million	2.6 million	2.7 million
<i>documentary</i>	Subscribers	2.4 million	2.5 million	2.6 million	2.6 million
Revenue ⁴					
Conventional, specialty, online		\$384.0 million ⁶	\$373.1 million	\$399.2 million	\$397 million

¹ Source: BBM Canada, fall survey (diary), persons aged 12 years and older.

² Source: comScore, persons aged 2 years and older.

³ Source: BBM Canada, Personal People Meter (PPM), persons aged 2 years and older.

⁴ Revenue for *documentary* is counted at 100% although CBC/Radio-Canada owns 82% per cent. Includes revenue from LPIF, a fund created by the CRTC to support local programming. It is available to conventional television stations operating in non-metropolitan areas. In 2010-2011 and 2011-2012, measurement excluded merchandising/licensing revenues which are included in 2012-2013.

⁵ CBC News Online excludes February 2011 due to comScore because of the unavailability of the data for this month (News Only).

⁶ Includes one-time FIFA World Cup soccer revenues.

⁷ In 2010-2011 and 2011-2012, measurement was based on the television season (i.e. September - March). In 2012-2013, measurement will be on the fiscal year (April - March).

2011–2012 Results – English Services

In 2011–2012, English Services celebrated many successes and accomplishments and continued to attract and engage more audiences to Canadian programming and content. Despite achieving record breaking performance for its Canadian content, CBC also experienced softer results in others areas that resulted from increasing competition, shifting media consumption habits and strategic decisions that have longer term objectives.

CBC Radio achieved a combined national share performance of 14.5 per cent in the Fall Survey (for CBC Radio One and CBC Radio 2). This is the second-best ever fall share for CBC Radio, after the 2010–2011 best-ever Fall Survey performance of 14.7 per cent. While below our target, CBC Radio continues to perform at record heights in terms of its national share of listening audiences.

In the Monday to Friday morning period, the timeslot with the greatest number of regional radio programs, CBC Radio One exceeded its target of average weekly hours tuned during the regular season by 25 per cent. This was exceptional performance for a key pillar of the Radio One service.

Despite experiencing its best winter season launch in history, capturing record audiences for Canadian programs, and averaging over a million viewers on five shows, CBC Television was not able to meet its overall regular season share target, ending the season with an overall regular season primetime share of 8.6 per cent. Several factors affected this performance, including that the “Big Three” English-language conventional television broadcasters have all experienced declining shares, while the share of viewing for U.S. conventional and U.S. specialty channels has increased. CBC also experienced a softer than anticipated fall season with its early prime-time programming such as *Jeopardy* underperforming. In addition, some returning shows did not perform as well as last year and some new programs performed below expectations.

In regional service, CBC Television’s supper hour and late night local news exceeded their targets by 200,000 average weekly hours tuned during the regular season. CBC News Network achieved a 1.4 per cent share for all-day viewing, matching its performance in 2010–2011 and just slightly below target.

For new platforms, targets for average monthly unique visitors were higher than last year’s results, and CBC met or exceeded the targets in three of four categories: CBC.ca overall, CBCnews.ca and CBCsports.ca. The decline in CBC Entertainment Online performance was similar to the decline for CBC Television.

Long-term agreements with our specialty channel broadcast distribution partners (cable and satellite) have allowed us to achieve and exceed subscriber targets for the year on **bold** and *documentary* respectively. CBC News Network continued its leadership as the most widely distributed English-language news and information specialty service in Canada, exceeding its subscriber target.

On the revenue front, CBC outperformed our target by 7 per cent, driven by incremental advertising revenue, largely from hockey playoffs, and a variety of other revenue items, such as program sales and facility rentals. Self-generated revenues continue to be an important source of funding for CBC.

Strategy 2015 Future Directions

Consistent with French Services, English Services continues to focus on achieving the objectives and serving the priorities of Strategy 2015. Reduced funding over the next three years, continued vertical integration and shifting consumer behaviour will similarly affect programming and operations in English Services, while Strategy 2015 continues to guide our decision-making.

More distinctly Canadian

CBC will increase the Canadian content available to our audiences – where and when they want it. We will build on past audience successes on radio, television and online.

As part of our commitment to Strategy 2015, CBC will increase the Canadian content available to our audiences – where and when they want it. We will build on past audience successes on radio, television and online. Specifically, we intend to increase Canadian programming offered on CBC Television in prime time.

However, as we increase Canadian programming on our schedules, we must also balance the reduction in our funding and the changing media landscape. As a result, we anticipate a decline in our KPI for share in television as reflected in the table above. For CBC Radio One, which offers overwhelmingly Canadian programming, our target is to maintain 2011–2012's performance. Finally, our dedication to Canadian artists will be enhanced through the continuation of the CBC music strategy and our other radio programming. As audiences move to embrace the convenience and choice of our online music offer, we have adjusted the CBC Radio 2 targets accordingly.

We will continue our commitment to original journalism, and introduce a new sports strategy focusing on winter sports. We will also continue to offer Canadians multi-platform programming experiences. Finally, we will reflect Canada's diversity of voices and perspectives in our programming, on all platforms.

More regional

CBC will build upon our regional strength by "getting closer" to Canadians through our local service extension plan, which will strengthen existing local programming, add new local programming, expand to areas currently without local service and offer our local services on mobile and other digital platforms. Our regional KPI targets reflect maintaining (on radio) and increasing (on television and online) performance on these measures in 2012–2013.

We will also strengthen connections between Canadians by continuing to offer the best mix of local, regionally representative and cross-regional expression.

More digital

We will ensure programming quality and innovation while continually adapting our content to new platforms. To better meet the needs of Canadians, we will seek programming partnership opportunities where and when they make sense. As such, we have targeted to increase the number of unique visitors per month to CBC.ca.

Similar to French Services, the measurement period for English Services specialty channel (share) and web (unique visitors) performance indicators have been expanded to incorporate the entire fiscal year and the targets have been adapted accordingly.

Transforming our operations to reinvest in the future and meet our financial obligations

While protecting and developing key human resources and talent, we will continue to adopt time-saving and less costly production and operating techniques to allow more resources to be directed to more programming for Canadians. We will manage our financial challenges prudently and effectively as we remain focused on protecting the fundamental principles of our strategy.