

## **Corus Entertainment: Case Analysis**

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## Executive Summary

In 2019, Toronto-based media company Corus Entertainment finds itself in the midst of a significant industry shift. Over the past five years, Over-the-top (OTT) media services delivering content directly over the internet have seen a massive increase in adoption. At this time, Corus' business model is heavily dependent on the success of the cable-television ecosystem, as its main source of revenue relies on carriage fees to brand distribution undertakings (BDUs) – such as Bell, Rogers, and Videotron – and collecting ad revenue from their channel offerings.

As a result of the ongoing market changes, Corus is experiencing a margin squeeze. Upstream, consolidated U.S studios raise licensing fees and reclaim marquee titles for their own OTT platform launches, while downstream BDUs push carriage fees down, and promote slimmer channel packages. As audiences fragment, Corus' margins and bargaining power are directly affected: they experience increased content costs, collect lower affiliate fees, and see reduced ad revenue.

Corus must now decide how to pivot and is presented with an opportunity to enter the OTT market with Amazon under the name STACKTV offering a pragmatic bridge: it gives Corus a fast, low-capital way to reach OTT audiences and add a subscription stream while preserving control of advertising, which still anchors the model. The trade-offs are clear, but they are manageable if Corus secures contract conditions. Compared with the alternatives STACKTV best fits Corus' situation as a bridge deal, buying time to grow their own OTT presence. Accordingly, my recommendation is to proceed with STACKTV on disciplined terms and use the runway to prepare focused OTT pilot once early results and financials improve. This path addresses internal concerns while positioning Corus navigate the current industry change with direction.

## Case Assessment

Vision: Corus Entertainment's vision is to become globally recognized as a leader in Canadian media industry, delivering high-quality, audience-tailored content that is easily accessible to viewers across the country.

Mission: Its mission is to successfully act as an independent content distributor and programmer in Canada, by securing exclusive rights from content owners, providing targeted audiences to advertisers, and selling unique and exciting media offerings in an attractive market.

Objectives: Corus has a few main objectives. Firstly, they look to stabilize revenues amid the shift to OTT platforms. This means protecting and maintaining BDU carriage and distribution for the time being, even if it is a declining revenue stream. They also look to appropriately manage upstream content costs by continuing to negotiate and secure rights on sustainable terms. Finally, they look to devise and execute a plan to deliver content to OTT consumers, as the cable television market continues to diminish.

Advantages: Main advantages to Corus' position include their portfolio scale and brands, through their Shaw Media acquisition (Global, HGTV Canada, YTV, etc.). Additionally, their unique position between content owners and BDUs gives them ample experience in the content acquisition and media service space, with established exclusive rights practices, advertiser relations, and studio communications.

Scope: Corus delivers its content within Canada, with 35 specialty networks, 15 conventional stations, and 39 radio stations. They primarily distribute through BDUs, and see revenue largely through advertising, along with earnings through affiliate fees, and merchandising. They are currently evaluating OTT options (STACKTV) but have no current hold in the ecosystem.

## External Analysis

### Macro-Environment (PEST)

Political Factors: The CRTC regulates BDUs and providers to ensure that Canadian content production remains healthy and attempts to protect domestic content distribution from foreign competition. As a regulatory body, they must balance cultural objectives, affordability, and social expectations in oversight, inevitably causing challenges for Canadian media firms. In 2015 the CRTC mandated that BDUs offer “skinny” television packages to consumers for reduced prices<sup>3</sup> directly affecting companies that offer a diverse range of channels. Additionally, registered Canadian media companies remain subject to the CRTC’s high Canadian Programming Expenditure (CPE) and Programs of National Interest (PNI) requirements, where registered companies are required to spend a percentage of gross revenue (35% in 2017) on creating Canadian-based content, limiting global and U.S. investment opportunities<sup>6</sup>. Similar types of measures and limitations are not applied to OTT providers like Netflix and Prime Video, as they operate under the CRTC’s digital media exemption order<sup>4</sup>.

Economic Factors: Linear TV economics are weakening while OTT grows. Cable subscriptions have been in absolute decline since 2012<sup>1</sup>, and the CRTC reported that total BDU subscriptions decreased by 3% in 2018; In the same year, OTT platforms saw a near 45% revenue increase<sup>5</sup>. Advertising remains a large share of traditional Canadian TV revenues, so audience migration toward digital platforms places structural pressure on broadcaster ad yields. Additionally, with increased demand for exclusive content from OTT services, costs have skyrocketed, with scripted series per-episode costs in the US \$5-7M range<sup>1</sup>. This forces smaller players to develop their own original content rather than purchasing from established studios, given their difference in available capital.

Social Factors: Audience behaviors have begun to shift decisively towards on-demand, multi-device viewing models. OTT subscriptions rose from 9.1M to 19.9M (2014–2019)<sup>1</sup> and is projected to reach ~86% of viewing by 2025<sup>1</sup>, expanding the cord-cutting movement. With this change in service structure, traditional content delivery may become outdated. Consumer expectation is moving towards an ad-free experience within OTT services, where paying a subscription to see uninterrupted content anywhere is worth the price.

Technological Factors: Given the surge in hardware advances and internet technology, streaming apps and experiences make on-demand viewing more convenient, diminishing the cable TV setup advantage. The tech arms race is now raising costs for the average company. With high content costs and the demand to support more users, the market favours more leveraged players (Netflix, Amazon) with established cloud delivery and web service infrastructure – they incur lower operational costs to scale and serve an increasingly large content library. Analytics is also a large factor for these firms, as control of first-part viewership data strengthens recommendation engines and targeted advertising, raising the competitive bar for market participants<sup>1</sup>.

## **Industry Environment (Porter's 5 Forces)**

### Threat of New Entrants: Medium

Delivery barriers might be difficult to navigate but not impossible. Server accessibility and widespread internet availability allow new players to reach new users through existing app ecosystems. High-leverage companies might look to expand their content base through third party content suppliers, allowing new OTTs to reach users at a cost. However, content scale becomes the main challenge. Given the production costs of new content and the even higher costs to license existing content<sup>1</sup>, entry requires deep pockets or a vast collection of existing IP.

### Supplier Power: High

Consolidated IP remains a hurdle in this area, as major content owners in the US shrank from 50 in 1983 to fewer than 6 by 2012<sup>1</sup>. Fewer, stronger suppliers raise fees, lock in long-term exclusive deals across regions, and increasingly go direct-to-consumer with their own OTT platforms<sup>1</sup>. This ultimately decreases content supply and increases the price intermediaries pay.

### Buyer Power: High (BDUs, advertisers, end-consumers)

- BDUs: With the decline of the cable television industry, BDUs have pushed back on wholesale fees, and threatened to drop channels during content renewal. Content intermediaries are still heavily dependant on BDUs for distribution, as they lack the viewership and infrastructure to go out on their own.
- Advertisers: The cable television industry relies heavily on advertising. With recent decreases in TV audience across cable networks, media companies have struggled to maintain consistent ad revenue streams while sponsors leave to find better exposure where targeted advertising is available.
- Consumers: Given the recent growth in the OTT market, the entertainment industry is highly competitive and saturated with subscription options. Consumer households average 3.4 services<sup>1</sup>, however, cancel-anytime options and the breadth of alternatives heighten price sensitivity and result in high churn.

### Threat of Substitutes: Very High

OTT delivers on-demand viewing that serves as a direct substitute to cable television. As a lower friction alternative, BDUs lost market share at a rate of 400k subscribers in 2018<sup>1</sup>. The OTT push into premium scripted content further weakens the cable television position, as it is left with few exclusive offerings.

### Industry Rivalry: Very High

The industry is extremely saturated and increasingly competitive, as globally scaled OTTs and BDUs fight for the same viewers and premium IP, inflating costs. Partnerships, acquisitions and mergers are frequent, as companies look to gain an edge in a fragmented market. Regulated BDUs and channels carry fixed costs and long contracts, however, as their subscriptions and revenues fall – \$5.5B in 2014 to \$4.4B in 2019)<sup>1</sup> – OTT giants gain more leverage in the evolving landscape.

### Driving Forces

The main driving forces behind competition within the media entertainment industry are as follows: most obviously, consumers are rapidly migrating to OTT media services, placing pressure on the traditional TV market. BDUs are pushing back on carriage fees and drop weaker channels in reaction to accelerating subscriber decline, propelling a steady reduction in the cable television segment. The industry also experiences a reduction in available content, in part due ownership consolidation; fewer, larger U.S. studios continue to raise fees and pull rights from existing intermediaries in favour of their own DTC platforms. Adding to this, the increasing cost in new series production raises financial barriers for smaller firms looking to source original content. Volatile consumer sentiment remains a concern for all players as developing services and varying offerings put companies at risk of sudden positional changes.

### Key Success Factors

Current industry members must recognize the shift in the media landscape and focus on the following factors to ensure success:

- Adapt to technological changes:

Companies must look to provide internet-based access across major devices, widening potential reach and reach and reducing friction as viewing shifts to OTT. Investment in viewership analytics is also necessary to employ informed programming and advertisement as market expectations evolve.

- Secure content rights or originate within budget:

Content costs rise, and competition becomes increasingly fierce; firms must prioritize windowed and exclusive rights in defensible genres where affordable. Otherwise, spending should be focused on developing repeatable, lower-cost originals with clear audience fit to draw and maintain viewership.

- Diversify revenue streams:

Given the instability of the market and the decline in ad revenue in the traditional TV model, firms should look to increase revenue streams in other areas. Offering lighter ads or ad-free experiences for a subscription fee is a logical option for many media companies to supplement ad-based income.

- Play to strengths – do not face large studios head-on:

In a saturated market, media companies should look to double down on niche markets where they have established brand equity and relationships. Trimming weak properties and concentrating resources on a smaller set of franchises to attract loyal viewers and sponsors is the logical decision.

## **Internal Analysis**

## **VRIO Analysis**

Summary (*Figure 1*): Corus's channel portfolio, national BDU carriage, advertiser relationships, and media programming aptitude are valuable and well organized, giving it a current but fading advantage as viewing shifts to OTT and BDUs lose market share. Its upstream rights relationships are increasingly at risk as U.S. owners go direct-to-consumer, complicating procurement. The two clear resource gaps Corus experiences are direct audience relationships and OTT product engineering – both valuable but not yet organized. This leaves Corus disadvantaged against platforms that leverage consumer data and deliver desirable internet-based experiences under a subscription model.

## **Value Chain Activity**

*Figure 2* outlines the activities Corus currently performs to create value. Primary activities include acquiring program rights from owners and commissioning originals, programming and curating Canadian channel lineups across genre brands, and delivering channels to BDUs. Revenue largely stems from marketing and sales activities as advertisement drives profits. Within their current value chain, pressure mounts, as upstream content owners raise licensing prices, tighten windows, and move direct-to-consumer, increasing COGS and renewal risk. Downstream, BDUs facing cord-cutting push down carriage fees and threaten re-tiering and channel drops, weakening affiliate economics. Monetization is further strained by audience migration to OTT. Against these pressures, Corus' strength remains in its portfolio of recognizable channels, programming and media infrastructure, and national ad-sales relationships, but their advantage is diminishing as traditional TV bundles continue to see less viewership.

## **Financial Analysis**

*(Financial Data Retrieved from 2018 Annual Report)<sup>7</sup>*

Corus's business was stable in costs but not in growth. Total revenue edged down to about \$1.65B (-2% YoY) in 2018, with reports noting weaker television advertising and flat subscriber revenue. Cost control kept operating results respectable, segment profit was roughly \$576M (at ~35% margin), and the company generated free cash flow of ~\$349M. While good cash performance is a positive, it likely reflects tight management and lower spending rather than a growing top line, given industry conditions.

The balance sheet is the main concern. Corus finished the year with nearly \$1.9B of net debt, approximately 3.3× segment profit, well above management's stated goal of under 3.0×. The company is more leveraged than desired, raising financial risk and limiting room to invest. Management response underscores the strain, cutting the dividend for FY2019 and making deleveraging a top priority. This signals that more cash needs to go towards clearing debt rather than to shareholders or new initiatives.

Further concerns are apparent decline in asset quality. Corus recorded ~\$1.0B in non-cash impairments for the year, as expected future earnings from television and radio assets were marked down. With falling revenue, a highly leveraged position, and large write-downs it is clear they face a pressured financial position. The company is still producing cash flow, but most of it must support the balance sheet, leaving less flexibility to pursue growth until debt is lower and revenue trends improve.

## **SWOT Analysis**

Summary of Findings (Table analysis in *Figure 3*):

The market is quickly shifting internet-based delivery, creating opportunity for Canadian programmers to reach viewers directly on major devices, make data-driven decisions through analytics, and build more diverse revenue streams. Direct-to-consumer delivery also offers opportunity to deliver more focused content and gain customer loyalty through brand niches. There are a few direct threats of note: DTC pivots raise licensing prices and pull titles away from intermediaries, BDUs re-tier, and drop weaker channels, and global OTTs set the bar on price, content depth, and user experience. Fragmented viewership decreases ratings and ad yields, as consumers shift away from traditional bundles.

Against this backdrop, Corus's real assets are its portfolio of recognizable Canadian channels and programming curation strength in lifestyle, family, and kids genres. National carriage and long-term contracts ensure some level of cashflow, while strong advertiser relationships can be leveraged if audiences improve. Nevertheless, their constraints are clear: heavy reliance on TV ad revenues, limited first-party data and direct consumer ties, underdeveloped OTT/product capabilities, and a strained financial position limit potential growth and profits.

**Current Strategy**

Corus pursues differentiation in Canadian television by curating branded channels and exclusive programming aimed at broad entertainment audiences with particular strength in family, lifestyle, kids and national news genres. The differentiation levers the case highlights are: (1) exclusive Canadian distribution rights from U.S. content owners and the ability to tailor schedules for Canadian tastes; (2) select originals to support key brands (e.g., *Property Brothers* on HGTV); and (3) integrated advertising partnerships that add value for sponsors. The revenue model is

two-sided: advertising is the majority (~66%) of total revenue, with subscriber/affiliate (carriage) fees ~ $\frac{1}{3}$  and a small merchandising/distribution slice (~5%). Evidence of brand-led differentiation and scale includes a portfolio of 35 specialty networks, 15 conventional stations, and 39 radio stations. Corus's role at the business level is therefore to win carriage and ad revenue by offering distinct, recognizable channels and lineups, rather than being the lowest-cost programmer.

At the corporate level, Corus follows a related diversification strategy confined largely to Canada across television, radio, and its content distribution. The firm is positioned mid-chain, between upstream studios and downstream distributors, rather than as a fully integrated studio or a BDU. It holds few assets in content production (relying mainly on licensed U.S. content and select originals) and is distribution-heavy through national carriage. Corporate scale was materially increased in the 2016 acquisition of Shaw Media for CA\$2.65B, which expanded channel breadth and advertising sales leverage. Their Canada-focused, portfolio has historically been well matched to a regulated BDU ecosystem in which five BDUs served ~75% of Canadians and relied on Corus's channels to round out their lineups. It is currently evaluating OTT distribution (STACKTV) as an adjacent service, consistent with its broad distribution stance.

## **Recommendations**

### Evaluation of STACKTV Opportunity:

As presented, STACKTV is an OTT storefront partnership (via Prime Video Channels) through which Corus would supply 12 branded channels. Subscription revenue is shared with the platform, Corus retains advertising revenue, and deep viewer analytics remain with Amazon. STACKTV extends Corus's distribution-led model without requiring the capital expenditure of an immediate OTT platform build. This gives them an opportunity to leverage channel brands, curated schedules and integrated advertising to reach cord-cutters who have migrated to OTT. However, it raises two possible concerns as described: potential BDU friction in direct competition with OTT platforms, and a lack of data sharing from Amazon. Despite these challenges, the opportunity presents many potential benefits. Firstly, it provides a quick-to-market path with low capital investment aligning with Corus' poor financial position. Additionally, the service would provide immediate access to a large viewership giving Corus the opportunity to supplement ad-based revenue streams with subscription income. Given these conditions, the STACKTV offer is good as a conditional, bridge strategy: it expands reach quickly, adds revenue share and aligns with current balance-sheet constraints. They must make moves to get out of the traditional TV industry, despite the risk of BDU cuts to fees and channels—it is a declining market. Corus should push for data from Amazon as much as possible to inform future product and ad decisions, and the deal must have a clear exit clause. Framed this way, STACKTV provides time and cash flow to develop owned IP, collect consumer data, and test OTT product capabilities, laying the groundwork for a Corus-owned DTC offering in the future.

### Strategic Options:

A) Build a Corus-led OTT service now (own app, billing, data).

- Pros: Full control of data, pricing, and user experience; higher long-term value per subscriber; less dependence on BDUs and partners.
- Cons: High upfront cost and complexity (product, streaming, billing, apps, support); slow to scale; tough to compete with global players' libraries.
- Risk Assessment: Too much cost and execution risk given current financial position and assets.

B) Stay linear-first; skip OTT.

- Pros: Protects BDU revenue in the near term, no new spend.
- Cons: Audience keeps moving to OTT, bargaining power keeps falling, lose access to new viewers.
- Risk Assessment: Not realistic, the market is moving as seen in revenue and viewership decline.

C) Do STACKTV now, then consider OTT later.

- Pros: Fast and low-cost entry to OTT, new subscription share and ad revenue, learn what works before building app from the ground up.
- Cons: Amazon holds most data; possible BDU pushback, revenue share is worse than owning the platform.
- Risk Assessment: Best fit for 2019—buys time, adds reach, manageable spend.

D) Go wide on storefronts (Prime + Apple TV Channels<sup>8</sup>, etc.) with no OTT.

- Pros: Bigger reach with little capex, introduction to more audiences.
- Cons: Data and platforms are fragmented, more operation overhead, even less control.

- Risk Assessment: May work once channel guardrails have been established but not as an initial plan due to lack of control.

**Choice: C — Start with STACKTV building toward a small, focused OTT platform later.**

**Justification:**

Externally, the market is moving decisively toward OTT at the same time that suppliers are consolidating and going direct, and BDUs are tightening fees as viewership declines. This combination demands a credible digital access path now. A partner-OTT launch supplies that path quickly and credibly without forcing Corus to overextend a levered balance sheet on a full OTT build. It lets Corus meet audiences where they already are while preserving financial flexibility.

Internally, this approach uses what Corus already does well: strong channel brands, tight programming curation, and national ad sales, while acknowledging where it needs to get stronger: first-party data and OTT product capabilities. Running on STACKTV turns those gaps into a learning phase. Corus can test ad loads, windowing, packaging, and audience response, then use those insights to shape a targeted, right-sized OTT offering.

Finally, the risks are manageable with clear guardrails. BDU friction can be contained through disciplined windowing and proactive communication that preserves select linear exclusives and staggers VOD availability. Data asymmetry can be reduced by negotiating for minimum reporting and establishing secure pipelines. Platform dependence is addressed by securing a clean exit clause, treating STACKTV as a bridge to future ventures.

**Implementation Roadmap:**

**Phase 0 - Guardrails and stakeholder alignment (Month 1):**

Corus should first set clear rules of engagement with both BDUs and Amazon. With BDUs, the

company should communicate the STACKTV plan, confirm windowing principles that preserve select linear exclusives and live premieres on cable, and commit to sensible price agreements.

With Amazon, Corus should finalize a term sheet that guarantees minimum reporting, preserves Corus's control of advertising and sponsorship integrations, and includes a clear clause.

Internally,

Phase 1 - Launch and learn (Months 2-8):

Corus should launch approximately twelve channels on STACKTV with a lighter, consistent ad load than cable, and support the launch through cross-promotion across digital assets. The team should tracks a concise KPI set (paid subs, trial-to-paid conversion, churn, hours viewed per sub) to understand performance and demand. Early content should be windowed in order limit cannibalization on existing platforms, focusing on incremental reach.

Phase 2 - Improve economics and protect the core (Months 8–20).

With initial data in hand, Corus should invest in and compile small slate of owned series in defensible genres (family, lifestyle, kids) where it can control windows and reuse content across linear and OTT. Ad usage should be expanded to raise yield through targeting without harming viewer experience. Concerning traditional cable offerings, Corus should look to trim low-return channels and concentrate marketing capital on content quality and infrastructure. If BDU reaction remains minimal and data results are favourable, Corus might add an additional storefront to broaden reach under similar terms.

Phase 3 - Prepare a focused DTC pilot (Months 20–36):

Using STACKTV learnings and subject to debt standing progress, Corus should look to develop a beta program to host their own DTC platform. Initial owned offerings should be narrow and targeted (i.e. a Kids/Family hub) with hybrid monetization and anchored by owned IP. Results

from the pilot should feed back into negotiations with storefront partners for better placement and revenue share. If results are desirable a further shift of content and offering can be pursued.

Key assumptions:

- BDUs will tolerate a measured storefront presence if windowing reduces direct cannibalization of current cable viewership.
- Platform partners will provide contracted minimum analytics/reporting and respect ad-inventory control.
- Corus can reallocate operating cashflow to data, product, and owned/co-owned content while maintaining deleveraging targets.

## Appendix

Figure 1: VRIO Analysis (Corus 2018)

Resource/Capability	Valuable?	Rare?	Imitable?	Organized?	Verdict / Notes
Portfolio of recognizable Canadian specialty & conventional channels	Yes	Yes (few national portfolios of this size)	Yes, however brand equity takes years	Yes (established programming, sales)	Competitive advantage (temporary) eroding as viewing shifts to OTT.
Long-standing relationships with content owners (legacy rights, experience contracting)	Yes	Yes, increasingly rare as owners going DTC	Yes, but content owners interacting with third parties less now than before.	Yes	At risk, becoming less valuable in DTC movement
Domestic advertising sales & integrated brand partnerships	Yes (66% of revenue)	No	Yes, but takes time to replicate	Yes	Competitive advantage situational as linear TV loses ground.
Programming curation & genre expertise, development of originals	Yes	No (all major networks have them)	Yes (but requires relationships, ideas, repeatable formats, capital)	Yes, but need to procure more at low cost	Solid competence that helps differentiation
National BDU distribution relationships	Yes, for now	Yes	No	Yes	Declining advantage as cable/BDUs lose traction
First-party audience data & direct consumer relationship, subscriptions	Yes, if implemented effectively	Yes, for now	Yes, difficult to build quickly/cheaply	No, reliant on BDUs	Weakness – limited direct revenue and data vs OTT, reduced targeting and analytics
OTT product engineering and deployment at scale	Yes	Yes, for now	Yes, but requires capital and extensive resources	No, weak in tech development	Weakness- slows DTC move and new venture opportunity

Figure 2: Value Chain of Corus Entertainment (2018)

Corus Entertainment – Value Chain Analysis	
<b>Firm Infrastructure:</b> Regulatory & legal expertise (CRTC, licensing, compliance), contracting & carriage Negotiation, Financial controls/analysis in content procurement.	
<b>HR Management:</b> Acquires talent for programming, sales, creative, news production	

<b>Technology Development:</b> Broadcast operations, ad operations. Early data/analytics capabilities (channel viewership)				
<b>Procurement:</b> Rights procurement from US content holders, long-term contracts on series. Acquires postproduction services, promotional material and broadcast tech to facilitate delivery.				
<b>Inbound Logistics:</b> - Acquire exclusive program rights from U.S. owners - Commission & produce select originals - Manage content library & delivery assets	<b>Operations:</b> - Schedule & curate Canadian channel lineups - Adapt formats for genre brands (lifestyle, family, kids) - Promo packaging & compliance standards	<b>Outbound Logistics:</b> - Deliver channels to BDUs (Bell, Rogers, Shaw, Telus, Vidéotron) - Monitor distribution, playout, traffic	<b>Marketing and Sales</b> - Channel & brand marketing (Global, HGTV Canada, W, YTV, etc.) - National ad sales & integrated partnerships	<b>Services:</b> - Affiliate support for BDU carriage & packaging

Figure 3: Corus Entertainment SWOT Analysis (2018)

Strengths (internal)	Weaknesses (internal)
- Portfolio of recognizable Canadian channels - National BDU carriage/existing TV revenue streams - Existing content in Family/Lifestyle/Kids genres, ability to develop originals - Contracting and procurement experience, existing relationships and contracts.	- Heavy reliance on TV ad revenue and BDU associations - Limited 1 <sup>st</sup> party data and direct consumer relationships - Lack of development in OTT space/capabilities - Relatively unhealthy financial position
Opportunities (external)	Threats (external)
- Technological evolution allows delivery of content through OTT platforms making it easier to reach consumers with an effective platform - Hybrid monetization, ad revenue can potentially be supplemented by subscription income via OTT - Opportunity to gain loyal customers through focused originals, catering to demographics and finding market niche. - Improvement in analytics and data management will aids in consumer insights, improving overall performance in advertising and content selection.	- Studio consolidation and DTC movement raises prices for content licensing - BDU decline in re-tiering, “skinny” packages, and channel drops reduce affiliate revenue - Intense rivalry from global OTTs saturating market and setting greater price and content expectations - Audience fragmentation leads to lower ratings and ad yield pressures - Regulatory asymmetry in lighter oversight on OTTs further impacts legacy company positions.

## Citations

<sup>1</sup> Case: <https://www.iveypublishing.ca/s/product/corus-entertainment-inc-should-they-go-overthetop/01tOF000006qRqHYAU>

<sup>2</sup> <https://www.emarketer.com/forecasts/5b3ba49481f26a04c8be0966/5b3b8f0b81f26a0dc49177b/>

<sup>3</sup> <https://mediaincanada.com/2015/03/19/crtc-orders-a-la-carte-cable-25-skinny-basic/>

<sup>4</sup> <https://www.theglobeandmail.com/business/commentary/article-rescind-the-digital-exemption-protect-canadian-content-in-the-digital/>

<sup>5</sup> <https://crtc.gc.ca/pubs/cmr2019-en.pdf>

<sup>6</sup> <https://crtc.gc.ca/eng/archive/2017/2017-150.htm>

<sup>7</sup> [https://www.annualreports.com/HostedData/AnnualReportArchive/C/TSX\\_CJR\\_2018.pdf](https://www.annualreports.com/HostedData/AnnualReportArchive/C/TSX_CJR_2018.pdf)

<sup>8</sup> <https://www.cnbc.com/2019/03/25/apple-tv-channels-streaming-tv-service-announced.html>