



PRESS RELEASE
For immediate release

BCE's acquisition of CTVglobemedia: Cogeco Cable asks CRTC for safeguards to preserve competition in communications industry

Montréal, January 11, 2011 – Cogeco Cable Inc. (TSX: CCA) filed a brief today with the Canadian Radio-television and Telecommunications Commission (CRTC) asking the CRTC for specific safeguards to prevent abuse of the new conglomerate's dominant market position if BCE's acquisition of CTVglobemedia is approved.

Cogeco Cable notes that the proposed transaction would imply a very high level of concentration and vertical integration that would allow the BCE-CTVglobemedia conglomerate to disadvantage competitors in the Canadian communications industry and potentially inflate prices for services to the detriment of Canadian consumers. Cogeco Cable asks to appear at the CRTC public hearing to review the proposed transaction, scheduled to begin in Gatineau on February 1, 2011.

"Vertical integration raises a number of concerns regarding the relationships between the owners of content and the owners of distribution networks," said Cogeco Cable president and CEO Louis Audet. "The proposed level of concentration and vertical integration that would result from the proposed transaction risks compromising the CRTC's fundamental objectives for the Canadian communications industry of universal access to services, diversity of choice and content and ultimately affordable prices for Canadian consumers," added Mr. Audet.

In its brief, Cogeco Cable provides a comprehensive review of the consequences of the common ownership of BCE and CTVglobemedia, which would create an entity controlling both a large number of television and content services, including sports services and programs, and a major share of the distribution of such services and content across all wired and wireless distribution platforms in the Canadian market, allowing it to exercise undue market power in the Canadian communications industry.

In the event the CRTC approves the proposed transaction, Cogeco Cable submits that specific regulatory controls and safeguards would immediately be necessary to avoid any abuse of the new conglomerate's dominant market position. Accordingly, Cogeco Cable asks the CRTC to strengthen and supplement a number of safeguards under the current CRTC regulatory framework, including:

- Prohibiting exclusive distribution of programs between vertically integrated entities;
- Expanding the reverse onus provisions in case of alleged undue preference or disadvantage to all broadcasting programming services and across all distribution platforms;
- Implementing structural safeguards to protect competitively sensitive information of competitors of BCE provided to either CTVglobemedia or BCE in connection with programming service supply contracts with either party;
- Implementing additional reporting and disclosure provisions to allow the CRTC and parties to identify undue preference or other abuses by BCE-CTVglobemedia of its dominant market position.

"It is essential that the CRTC take immediate steps to allow non-vertically integrated distributors to remain competitive and to allow their subscribers to continue receiving TV channels and content under fair, non-discriminatory conditions, regardless of which wired or wireless distribution service provider they choose," said Mr. Audet. "It is crucial for competition, and ultimately for consumers, that all Canadian broadcasting distributors can continue accessing the same content and content quality at the same time as the major vertically integrated conglomerates, under fair, reasonable and non-discriminatory conditions," concluded Mr. Audet.

In the event the CRTC approves the proposed transaction, Cogeco Cable further submits that BCE should be required to comply in all respects with the CRTC's tangible benefits policy for the advantage of the Canadian broadcasting system, and not for its own business advantage.

Lastly, Cogeco Cable states that BCE-CTVglobemedia should clearly forego any new fees for the carriage of CTVglobemedia's conventional television signals given the size of the new conglomerate, the scope of its financial resources and the numerous distribution platforms available to it, and the risk of abuse leading to inflated prices for consumers.

Cogeco Cable concludes that if BCE refuses to provide the required regulatory guarantees or comply with the tangible benefits policy required in the circumstances, the CRTC should simply refuse to approve the proposed transaction.

ABOUT COGECO CABLE

Cogeco Cable (www.cogeco.ca) is a telecommunications company and is the second largest hybrid fibre coaxial cable system operator in Ontario, Québec and Portugal. Through its two-way broadband cable networks, Cogeco Cable provides its residential customers with Audio, Analogue and Digital Television, as well as HSI and Telephony services. Cogeco Cable also provides to its commercial customers, through its subsidiary Cogeco Data Services, data networking, e-business applications, video conferencing, hosting services, Ethernet, private line, VoIP, HSI access, dark fibre, data storage, data security and co-location services and other advanced communication solutions. Cogeco Cable's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

- 30 -

Information: Marieke Tremblay
Tel: 514-764-4700