



**CHEK Republic: A Revolution in Local Television.** By Diane Dakers. Foreword by Konrad Von Finckenstein. Victoria, BC: Heritage House Publishing Co. Ltd. 2014. 216 pp. ISBN 9781927527993 (pkb).

The 2008–2009 financial crisis and resulting recession led to a reshaping of the broadcasting landscape in Canada where media ownership had already been rearranged less than a decade earlier by the paradigm of convergence. One of the few good-news stories to emerge from these painful years was the purchase by its employees of CHEK-TV in Victoria, British Columbia (a city of 340,000 on the West Coast). That bold move made CHEK, which had been threatened with closure, the first employee-owned television station in North America. The tale of its rescue is comprehensively recounted by Diane Dakers, a long-time Canadian journalist, in *CHEK Republic: A Revolution in Local Television*, which had begun as her Master's thesis at Carleton University.

Enthusiasm for convergence, which was galvanized by the January 2000 merger of American Online Inc. (AOL) and Time Warner Inc., hit nowhere harder than in Canada, which had no prohibition similar to the Federal Communications Commission's (FCC's) 1975 ban on cross-ownership of television and newspapers. One had been briefly imposed in the early 1980s after a warning in the report of the Royal Commission on Newspapers, but it was soon allowed to lapse by an incoming Conservative government. That paved the way for convergence to reshape Canadian television ownership and by the end of 2000 there were no fewer than three major deals that saw networks pair with newspaper companies. CTV Inc. partnered with the *Globe and Mail* (the national newspaper), Global Television Network's owner Canwest Global Communications bought Southam Inc. (the country's largest newspaper chain) and newspaper publisher Quebecor Inc. acquired the TVA network in Québec. By 2010 only the latter arrangement remained. Canwest had declared bankruptcy the previous year and its newspaper and television divisions were sold off separately. CTV and the *Globe and Mail* then went their separate ways after the latter deemed convergence unworkable. Canada's private television networks are now owned mostly by common carriers, as Global Television was bought out of bankruptcy by cable company Shaw Communications Inc. and CTV was reacquired by the country's dominant satellite TV provider, Bell Media. The smaller Citytv network was bought by cable company Rogers Media in 2007.

The implosion of Canwest Global Communications was preceded by a Hail Mary attempt to cut costs as the company's advertising revenues plummeted. Included was the planned closure of several small money-losing stations, including CHEK. That led to a campaign by its employees in the summer of 2009 to raise enough money to purchase the station and keep it alive. Canwest was willing to sell CHEK for the nominal sum of \$2, but the sticking point became raising \$25 million that was needed to cover the station's costs during the transition in ownership. The employee ownership model is a popular one in Western Canada, having been pioneered by the airline WestJet, the Great Western Brewing Company, and the Harmac Pacific pulp and paper mill.

Managers at Harmac in nearby Nanaimo, which was similarly saved from closure in 2008, were particularly helpful to CHEK workers in replicating their model.

Efforts to raise the \$25 million form the bulk of Dakers' narrative, which is informed by numerous interviews with insiders. Included are backchannel appeals by politicians and regulators to Canwest executives, who were understandably preoccupied with their company's looming bankruptcy. Canwest CEO Leonard Asper, who attracted most of the blame for losing the company his father Izzy founded in the mid-1970s, emerges as something of a hero in Dakers' tale for championing CHEK's cause and helping to make its rescue possible.

A new programming model allowed CHEK to subsist on the minimal advertising revenues it was able to attract on its own. Having lost most of its programming with its separation from Canwest Global, CHEK filled its days with prerecorded local news packages, its nights with low-cost movies and its overnight hours with paid programming. Key to this model was a movie deal with Metro-Goldwyn-Meyer Inc (MGM), which had agreed to drop its price per film from \$20,000 to only \$1,500. Also, CHEK gradually built up its schedule of programming with such shows as *60 Minutes*, *Nightline* and *Jimmy Kimmel Live!* Most of these were purchased in partnership with CHCH-TV, a newly-independent station in Hamilton, Ontario, which had been similarly orphaned by Canwest Global's bankruptcy. In contrast to CHEK, however, CHCH had been purchased by a company called Channel Zero.

*CHEK Republic* is a gripping tale of corporate intrigue, executive intransigence and employee persistence. It provides a needed counterpoise to the gloom and doom that beset Canada's television industry during the ownership upheaval that attended the recent recession. It would be especially useful reading for courses in television or media management.

Marc W. Edge, University Canada West