



BCE's Netflix-fighting CraveTV has 730,000 users

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Streaming service will be spread to all Internet users in Canada, Chief Executive Officer George Cope says.

BCE Inc., Canada's largest telecommunications company, has signed up 730,000 subscribers for its CraveTV Internet-streaming service since debuting it in December.

That number will keep growing when BCE makes the service available to all Internet users in Canada, not just its own cable-TV customers, Chief Executive Officer George Cope said on the company's second-quarter earnings call Thursday. It will expand the base of potential household targets to 11 million from 3.5 million, Cope said. BCE said last month it would open up CraveTV at the beginning of 2016.

"CraveTV has the content of both HBO and Showtime," Cope said, adding that it is "already a very competitive product."

BCE has joined other Canadian cable companies in starting up their own online-TV services to compete with Los Gatos, California-based Netflix Inc., which entered the Canadian market in 2010 and has acquired around 4 million users, Adam Shine, an analyst with the National Bank of Canada, has said. Forty percent of English-speaking Canadians now have access to a Netflix subscription, according to Media Technology Monitor, an Ottawa-based researcher.

Rogers Communications Inc. and Shaw Communications Inc. unveiled a streaming service last year called Shomi. It costs C\$8.99 a month, the same as Netflix, and will be available to anyone in the coming months, Stephanie Leslie, a spokeswoman for Shomi, said in an e-mail. Leslie declined to say how many subscribers Shomi had.

For BCE, which is known by its brand name Bell, the 730,000 subscriber additions are impressive given that Dish Network Corp.'s Sling TV Internet service signed up 169,000 in its first quarter, David Heger, an analyst at Edward Jones in St. Louis, said in a phone interview.

"It's not necessarily an apples for apples comparison, but at the same token I would think hitting 730,000-type levels is doing pretty darn well," he said.

CraveTV, at \$4 a month, features Showtime programs like "The Affair" and older Home Box Office Inc. series such as "The Sopranos" and "Sex and the City."

The service helped boost subscriber revenue in BCE's media division compared with last year, the company said in its second-quarter report Thursday. Shares rose 0.6 percent to \$54.47 at midday in Toronto. The stock is up 2.2 percent this year.