



## Broadcasting Decision CRTC 2005-242

Ottawa, 10 June 2005

**Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership**  
Medicine Hat, Alberta

*Application 2004-1222-1*  
*Public Hearing in the National Capital Region*  
*18 April 2005*

### **CHAT Medicine Hat - Conversion to FM band**

*The Commission **approves** the application by Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership, for a broadcasting licence to operate a new English-language FM radio programming undertaking at Medicine Hat, Alberta, to replace its AM station CHAT Medicine Hat.*

### **The application**

1. The Commission received an application by Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership, for a broadcasting licence to operate a new English-language FM radio programming undertaking at Medicine Hat to replace its AM station CHAT. The new station would operate at 94.5 MHz (channel 233C1) with an effective radiated power of 100,000 watts.
2. The applicant indicated that the proposed station would offer the same country music format as that currently offered by CHAT. The applicant also stated that it would maintain its current level of news, weather and sportscasts. It would also continue to broadcast its weekly talk show “Inside CHAT.”
3. The applicant confirmed that it would continue to participate in the plan developed by the Canadian Association of Broadcasters for contributions by radio licensees to Canadian talent development. Under this plan, a radio licensee serving a market the size of Medicine Hat would be expected to contribute a minimum of \$400 in each broadcast year to eligible third parties for the development of Canadian musical and other artistic talent. The applicant made a further commitment to contribute \$1,000 per year for seven years to Capture the Beauty of the South Country Art Show, and \$5,000 per year for five years to support The Sandfly Festival, which features live Canadian talent. This annual \$6,000 commitment is over and above its current expenditures on Canadian talent development.

## **Interventions**

4. The Commission received several interventions supporting this application and two opposing it. Mrs. Elva Krause and Mr. Blair Reid expressed the concerns that if this application were approved, the programming format of the new station would change and the older generation would no longer have an AM radio station. Mr. Reid added that the survey that was submitted by the applicant with its application and that examined the market for a country FM radio station in Medicine Hat did not include anyone over the age of 54, making it “extremely biased.” Mr. Reid further stated that the approval of this application could result in a significant decrease in local reflection.
5. Mr. Reid also stated that the applicant has a monopoly in the Medicine Hat radio market and, as a result, it has been able to keep advertising rates high. He suggested that a call should be issued for applications to better serve Medicine Hat with some competition.

## **Applicant’s reply**

6. In response to the interveners’ concern that the approval of this application would result in changes to the programming format, the applicant indicated that it does not intend to change the format of the station when CHAT is converted from AM to FM. The station would continue to offer the same level of news, weather and sports. It would also continue to broadcast its weekly talk show. According to the applicant, CHAT has an award-winning format and it would not give up its heritage position in the market as the information station. The applicant noted that it applied to convert its station from AM to FM specifically for greater sound quality.
7. In answer to Mr. Reid’s concerns about advertising rates, the applicant stated that its local rates are competitive with other markets of the same size. The applicant noted that many small business owners who advertise on its stations are very pleased with the results of their advertising campaigns. The applicant stated that it takes community involvement very seriously and would not want to jeopardize it.

## **Commission’s analysis and determination**

8. In its evaluation of this application, the Commission has carefully considered the views expressed by the interveners with regard to the possible change to the station’s format. The Commission is satisfied with the applicant’s response that it will continue to offer the same format and the same level of news, weather and sports.
9. With respect to Mr. Reid’s suggestion that a call should be issued, the Commission reiterates its position with respect to the treatment of proposals to convert radio undertakings from AM to FM, as set out in *The Issuance of Calls for Radio Applications*, Public Notice CRTC 1999-111, 8 July 1999. In that public notice, the Commission stated that such applications would generally trigger a call for competing applications in the affected market, except in circumstances where the proposal to convert a station from AM to FM is in a market with two or fewer commercial operators. The Commission

notes that, in the present case, the applicant and Medicine Hat Broadcasting Ltd. are the only broadcasters in the market. Its procedure was therefore consistent with the Commission's policy regarding proposals to convert stations from AM to FM in markets with two or fewer commercial operators.

10. Accordingly, the Commission **approves** the application by Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership, for a broadcasting licence to operate a new English-language FM radio programming undertaking at Medicine Hat to replace its AM station CHAT. The station will operate at 94.5 MHz (channel 233C1) with an effective radiated power of 100,000 watts.
11. The Commission reminds the licensee that it must fulfil all of the benefits commitments set out in *Acquisition by Jim Pattison Industries Ltd. of all of Monarch Broadcasting Ltd.'s television and radio interests*, Decision CRTC 2000-765, 21 December 2000, in which the Commission approved the application by Jim Pattison Industries Ltd. to acquire the assets of CHAT Medicine Hat from Monarch Broadcasting Ltd. The Commission expects the licensee to file a report at the conclusion of the benefits period setting out the details concerning how it has fulfilled its commitments.
12. The licence will expire 31 August 2011 and will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999.
13. The licensee is authorized, by **condition of licence**, to simulcast the programming of the new FM station on CHAT for a transition period of three months following the commencement of operations of the FM station. Pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act*, and consistent with the applicant's request, the Commission **revokes** the licence for CHAT effective at the end of the simulcast period.

### **Issuance of the licence**

14. The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.
15. The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.

16. Furthermore, the licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 10 June 2007. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

### **Employment equity**

17. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Human Resources and Skills Development, its employment equity practices are not examined by the Commission.

Secretary General

*This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>*