



Broadcasting Decision CRTC 2007-379

Ottawa, 17 October, 2007

Westwave Broadcasting Inc.

Sechelt and Powell River, British Columbia

Application 2007-0924-8, received 19 June 2007

Broadcasting Public Notice CRTC 2007-76

9 July 2007

CKAY-FM Sechelt – New transmitter in Powell River

*The Commission **denies** an application to amend the broadcasting licence for CKAY-FM Sechelt in order to add a transmitter in Powell River.*

Introduction

1. The Commission received an application by Westwave Broadcasting Inc. (Westwave) to amend the broadcasting licence for the radio programming undertaking CKAY-FM Sechelt in order to operate a transmitter in Powell River at 105.3 MHz (channel 287B) with an effective radiated power (ERP) of 3,000 watts.
2. The Commission received one comment on this application, several supporting interventions and an opposing intervention by Vista Radio Ltd. (Vista). The opposing intervenor is currently the sole commercial radio licensee operating in the Powell River radio market.

Background

3. Westwave was originally authorized to operate an FM station in Sechelt on 20 April 2005. It commenced operation of the station on 12 April 2006.
4. In Broadcasting Decision 2007-146 dated 18 May 2007, the Commission authorized Vista to convert its AM station CHQB Powell River to the FM band but directed the licensee to file an application proposing the use of another FM frequency and other technical parameters. That application is currently before the Commission.
5. In the same decision, the Commission denied an application by Westwave to operate an FM station in Powell River at 105.3 MHz (channel 287B) with an ERP of 3,000 watts. The Commission determined that there were insufficient advertising revenues in the Powell River radio market to support the entry of a second commercial radio station.

6. A month after the issuance of Broadcasting Decision 2007-146, Westwave filed the present application for authority to operate a transmitter of CKAY-FM in Powell River.

Commission's analysis and determination

7. After considering the positions of the parties to this proceeding, the Commission finds that the primary issue arising from this application is whether the addition of the proposed FM transmitter would have a significant impact on the existing commercial radio station in Powell River.
8. As pointed out by Vista in its opposing intervention, the economic indicators in the Powell River radio market have not changed since the issuance of Broadcasting Decision 2007-146, in which the Commission determined that the market could not support a competitor to the incumbent commercial radio station. The Commission acknowledges that the proposed transmitter would have less impact on the incumbent commercial radio station in Powell River than the originating station proposed in Westwave's previous application, which was denied in Broadcasting Decision 2007-146. Nevertheless, the Commission considers that, despite Westwave's commitment not to solicit or accept any advertising outside CKAY-FM's central market, the introduction of CKAY-FM's signal to the Powell River radio market could result in some negative impact on Vista's listening audience and advertising revenues. In the Commission's view, given CHQB's poor financial performance over the past five years, any additional losses in listening audience or in advertising revenues would constitute an undue negative impact on the station.
9. According to Westwave, denial of its application would severely compromise its ability to provide quality and effective service. The Commission, however, notes that CKAY-FM has only been in operation for two years. The Commission considers that new radio stations do not generally reach maturity until the third or fourth year of operation and expects Westwave to make every effort to implement its original business plan to serve the community of Sechelt.
10. In light of all the above, the Commission **denies** the application by Westwave Broadcasting Inc. to amend the broadcasting licence for CKAY-FM Sechelt in order to operate a transmitter in Powell River.

Secretary General

Related documents

- *English-language FM radio programming undertakings in Powell River*, Broadcasting Decision CRTC 2007-146, 18 May 2007
- *English-language FM commercial radio station in Sechelt*, Broadcasting Decision CRTC 2005-167, 20 April 2005

This decision 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>