



## Broadcasting Decision CRTC 2007-84

Ottawa, 14 March 2007

**My Broadcasting Corporation**  
Pembroke, Ontario

*Application 2006-0955-5*  
*Public Hearing in the National Capital Region*  
*29 January 2007*

### **English-language FM radio station in Pembroke**

*The Commission **denies** an application for a broadcasting licence to operate an English-language commercial FM radio station in Pembroke, Ontario.*

#### **The application**

1. The Commission received an application from My Broadcasting Corporation (MBC) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Pembroke, Ontario. The proposed station would operate at 95.3 MHz (channel 237A) with an effective radiated power of 1.62 kilowatts.
2. MBC is the licensee of CIMY-FM Pembroke.
3. The applicant indicated that the proposed station would provide a local service to Pembroke and would offer a Classic Rock format featuring music from the 1960s, 1970s and 1980s.
4. The applicant also requested an exemption to the hit material policy as defined in *Revised Policy on the Use of Hits by English-Language FM Radio Stations*, Public Notice CRTC 1997-42, 23 April 1997, as amended from time to time, in order to devote a maximum of 70% of its weekly musical selections to hit material.
5. The applicant stated that spoken word programming would include local news, live-to-air, voice-tracked and automated programming. The proposed station would broadcast a live-to-air morning show from 6 a.m. to 11 a.m. every day. Weekly newscasts would consist of 60% local news, local and national sports, and weather. The station would also broadcast surveillance programming, which would include snowmobile, ski and local sports features, and local school and bus cancellations.
6. With respect to the development of Canadian talent, the applicant proposed to devote \$2,000 annually to Petawawa Civic Centre Days, a community festival. This contribution would help to hire Canadian artists to perform at the festival.

## Interventions

7. The Commission received several interventions in support of this application, one intervention in opposition by Standard Radio Inc. (Standard) and one comment by Ottawa Media Inc. (Ottawa Media).
8. Standard, the licensee of CHVR-FM Pembroke, argued that the Pembroke market cannot sustain a new FM radio station at this time. Standard submitted that the Pembroke radio market has grown quickly over the last two years and is currently served by two local FM stations, CHVR-FM and CIMY-FM, as well as by two Ottawa stations via transmitters. A new community station has also yet to be launched in Renfrew.
9. According to Standard, advertising rates have fallen and the market has become more economically challenged since the launch of MBC's CIMY-FM in September 2005. Standard added that MBC exaggerated Pembroke's financial growth in recent years and in its projections for upcoming years.
10. Standard acknowledged that in *Revised policy concerning the issuance of calls for radio applications and a new process for applications to serve small markets*, Broadcasting Public Notice CRTC 2006-159, 15 December 2006 (Public Notice 2006-159), the Commission set out a new policy for treating applications for commercial radio stations in smaller markets. Standard submitted that since the notice announcing the MBC application<sup>1</sup> was issued before Public Notice 2006-159, the Commission should have called for applications following the receipt of MBC's application and respected the former policy.<sup>2</sup>
11. In Standard's view, the Commission should remove the application from the public hearing and consider it under the new policy set out in Public Notice 2006-159. Under the new policy, the Commission would first assess the Pembroke market to determine whether it can sustain a new radio entry. According to Standard, the Commission would then return the application to MBC. Standard added, however, that if the Commission would not consider the application under Public Notice 2006-159, it should simply deny the application because the market cannot sustain a new FM radio station.
12. Ottawa Media, the licensee of CJWL-FM Ottawa, did not oppose the application but opposed MBC's request for an exemption that would allow the applicant to devote 70% of its weekly musical selections to hit material. Ottawa Media was of the view that MBC did not demonstrate a need for the exemption. It further argued that the proposed exemption would limit programming diversity and the ability to showcase new Canadian talent.

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<sup>1</sup> Broadcasting Notice of Public Hearing CRTC 2006-12, 30 November 2006.

<sup>2</sup> *The Issuance of Calls for Radio Applications*, Public Notice CRTC 1999-111, 8 July 1999.

### **Applicant's replies**

13. In response to Standard's intervention, MBC argued that the Pembroke market could sustain a new FM radio station. MBC stated that Standard was inaccurate in many elements of its assessment of the Pembroke and Petawawa market. It also noted that economic development coordinators for area municipal governments have indicated that the economy of the market is strong and will continue to grow.
14. With respect to Standard's argument that the Commission should consider MBC's application under Public Notice 2006-159, MBC stated that Public Notice 2006-159 improved and updated the old policy, but that these changes do not mean that the previous policy was flawed.
15. In its reply to Ottawa Media, MBC argued that the proposed exemption would not have a negative impact on the other stations in the market given that no stations are currently playing a pre-1980s format. According to MBC, the proposed station would bring greater programming diversity to the market because it would play older songs that are not currently given any air time. MBC also stated that the proposed exemption would not hinder its commitment to Canadian development.

### **Commission's analysis and determination**

16. The Commission notes that in *English-language FM radio station in Pembroke*, Broadcasting Decision CRTC 2005-366, 2 August 2005, it approved an application by MBC for a licence to operate a new FM radio station in Pembroke. The new station, CIMY-FM, was launched in September 2005. In the Commission's experience, a new station takes at least two years to begin to reach its full potential. The Commission notes that CIMY-FM's first-year revenues have exceeded those projected for its fifth year of operation. The full impact of CIMY-FM on the Pembroke market, therefore, will likely exceed initial projections significantly.
17. In addition, at least two years of financial data is necessary to evaluate a new station's impact on the market. Furthermore, the Commission is of the view that there is no evidence that the Pembroke radio market has fully adjusted to the impact of CIMY-FM.

18. In light of the above, the Commission considers that the ability of the Pembroke market to support a new station cannot be determined until the impact of CIMY-FM can be more fully ascertained. As a result, the Commission determines that the addition of a new FM radio station to the Pembroke radio market at this time is not warranted. Accordingly, the Commission **denies** the application by My Broadcasting Corporation for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Pembroke, Ontario.

Secretary General

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