



Broadcasting Decision CRTC 2012-638

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Ottawa, 21 November 2012

902890 Alberta Ltd.
Wetaskiwin, Alberta

Applications 2011-1079-1 and 2011-1080-9

CIHS-FM Wetaskiwin – Licence amendments

*The Commission **denies** the applications by 902890 Alberta Ltd. to amend the broadcasting licence for the commercial English-language specialty radio station CIHS-FM Wetaskiwin in order to increase its power and change its class from that of a Class A to a Class B station and in order to change the categories from which it must draw its musical programming.*

The application

1. The Commission received two applications by 902890 Alberta Ltd. to amend the broadcasting licence for the commercial English-language specialty radio programming undertaking CIHS-FM Wetaskiwin, Alberta. The first application (2011-1079-1) seeks to modify the station's technical parameters by increasing its average effective radiated power (ERP) from 5,120 to 50,000 watts and changing its class from that of a Class A to a Class B station. All other technical parameters would remain unchanged.
2. The second application (2011-1080-9) seeks to replace the station's condition of licence requiring it to devote a minimum of 50% of all musical selections broadcast each broadcast week to selections from subcategory 35 (Non-classic religious) with the following condition of licence:

The licensee shall devote a minimum of 50% of all musical selections broadcast during each broadcast week to selections drawn from subcategory 32 (Folk and folk-oriented), 40% from subcategory 33 (World beat and international) and 10% from subcategory 21 (Pop, rock and dance).
3. The Commission received interventions in support of both applications.
4. With respect to the proposed technical change, the licensee stated that it wished to improve the station's signal reception in the counties of Wetaskiwin, Leduc, Ponoka and Camrose. The licensee added that although the technical changes approved in Broadcasting Decisions 2004-550 and 2006-179 improved the station's coverage,

they did not achieve the goal of ensuring that its signal would reach the surrounding areas of Camrose, Leduc and Ponoka set out in Broadcasting Decision 2004-550.

5. As regards the second application, the licensee stated that the reason for the proposed format change was financial. Specifically, it stated that it had not been able to sell advertising within the existing music format.
6. The licensee added that operating in a specialty music format that targets a niche audience, in combination with having unreliable signal strength, had presented challenges in making the radio station financially viable. In this respect, the licensee indicated that while the above-noted applications were severable, if only one of the amendments were approved it would continue to be a challenge to make CIHS-FM a profitable operation.

Commission's analysis and decision

7. The Commission notes that it generally assesses the merits of applications for technical changes on the basis of the demonstrated economic or technical evidence that a station's existing technical parameters are not adequate to provide the service as originally proposed. In this case, the Commission notes that the applicant did not cite any technical impediment to justify the requested power increase but instead stated that the application was made on the basis of economic need. Specifically, the licensee stated that it wished to improve the signal reception of CIHS-FM in Wetaskiwin, Leduc, Ponoka and Camrose. The Commission also notes the licensee's statement that the applications, while severable, are meant collectively to address the station's financial difficulties. The Commission therefore considers it appropriate to examine the proposed technical amendment in the context of the licensee's business plan, including the proposed music format and the overall quality of its applications.
8. The Commission notes that the proposed programming amendment would allow the station to modify its music format from its current mix of Country/Non-classic religious music to a mix of Folk and folk-oriented (50%), World beat (40%) and Pop, rock and dance (10%). The applicant has indicated that its World beat music offering will feature South Asian music. Specifically, as part of its 40% World beat music offering, the licensee has stated that it plans to program 8 hours of music a day targeting South Asian populations, which amounts to 56 hours each broadcast week. The licensee did not provide any breakdown or details regarding this South Asian content or address whether it will also include spoken word segments. However, the licensee referred to verbal commitments from South Asian businesses to advertise on the station.
9. The Commission notes that according to Statistics Canada's 2006 census, the South Asian population in Alberta is largely concentrated in either Edmonton or Calgary, with approximately 94% (98,000) of the 104,000 South Asians in Alberta living in either of these two major cities. As such, only a relatively limited number of South Asians (approximately 6,000) reside in areas of Alberta other than Edmonton or Calgary. In particular, the Commission notes that within the communities of

Wetaskiwin, Ponoka, Leduc and Camrose targeted by the technical amendment, there are only small South Asian populations of approximately 120, 30, 170 and 75 respectively.

10. Given the minimal South Asian population in the communities the licensee is seeking to reach, the Commission questions the applicant's decision to target the South Asian population. Specifically, the Commission considers that the applicant has not demonstrated that there is a market within its service area for the proposed level of South Asian music programming. The Commission also notes that section 7(3) of the *Radio Regulations, 1986* (the Regulations) stipulates that non-ethnic stations may not devote more than 15% of any broadcast week to third-language programming, unless authorized by condition of licence to devote up to 40% of the broadcast week to such programming. CIHS-FM would therefore require a condition of licence to this effect if it wished to broadcast more than 15% third-language programming to target a South Asian audience. The Commission notes that no such authorization has been requested by the licensee. In addition, the applicant failed to demonstrate how its proposed programming change would allow it to continue to serve the communities it was originally licensed to serve.
11. The Commission is of the view that an applicant's programming plans are an integral part of its overall business plan and the quality of its application. The Commission further considers that the onus falls on the applicant to provide a quality application. The Commission also expects an applicant to provide sufficient details to support its application. In the present case, the Commission considers that the applicant has not provided quality applications. Further, the Commission considers that the present applications lacked the details necessary to allow it to properly evaluate their merits. Specifically, it is unclear how approval of the applications would serve to enhance the service provided in the licensed area and address the station's financial situation.
12. Additionally, with respect to the proposed technical change, the Commission notes that in Broadcasting Decisions 2004-550 and 2006-179 it approved technical changes to increase the station's coverage beyond its licensed area in Wetaskiwin to the surrounding areas of Camrose, Leduc and Ponoka on economic grounds. Notwithstanding these technical changes, the Commission notes that Wetaskiwin is the principal marketing area and the area for which the original licence was approved in Broadcasting Decision 2000-436. As such, the Commission considers that further increasing the station's power as proposed by the applicant would extend the station's contours too far beyond its principal marketing area. The Commission also finds that the licensee has not presented any technical evidence demonstrating that the station's existing technical parameters are not adequate to provide the service as originally proposed. Accordingly, the Commission concludes that the proposed technical change would not constitute an appropriate solution under the circumstances.
13. In light of the above, the Commission **denies** the applications by 902890 Alberta Ltd. to amend the broadcasting licence for the commercial English-language specialty radio programming undertaking CIHS-FM Wetaskiwin, Alberta in order to increase

its power and change its class from that of a Class A to B station and in order to change the categories from which it must draw its musical programming.

Non-compliance

14. The Commission notes that section 9(2) of the Regulations, provides that on or before 30 November of each year, a licensee shall submit to the Commission a statement of accounts, on the annual return of broadcasting licensee form, for the broadcast year ending the previous 31 August.
15. The Commission notes that the licensee filed its annual returns for the 2006-2007 to 2009-2010 broadcast years after the 30 November deadline.
16. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach for dealing with non-compliance by radio stations. In particular, the Commission indicated that each instance of non-compliance would be evaluated in its context and in light of factors such as the quantity, recurrence and seriousness of the non-compliance. The Commission further indicated that it would also consider the circumstances leading to the non-compliance, the arguments provided by the licensee and the measures taken to rectify the situation. In accordance with its revised approach and based on the seriousness of the instances of non-compliance identified, the Commission will examine the licensee's non-compliance at the licence renewal for the station.

Secretary General

Related documents

- *Revised approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2011-347, 26 May 2011
- *CIHS-FM Wetaskiwin – Technical change*, Broadcasting Decision CRTC 2006-179, 2 May 2006
- *CIHS-FM Wetaskiwin – Technical change*, Broadcasting Decision CRTC 2004-550, 15 December 2004
- *New Specialty FM radio station*, Decision CRTC 2000-436, 8 November 2000