



Broadcasting Decision CRTC 2008-296

Ottawa, 31 October 2008

LE5 Communications Inc.

Sudbury, Timmins, Kapuskasing and Hearst, Ontario

Application 2008-0737-3, received 26 May 2008

Public Hearing in the National Capital Region

24 September 2008

CHYC-FM Sudbury and CHYK-FM Timmins as well as its transmitters – Acquisition of assets

*The Commission **approves** the application by LE5 Communications Inc. to acquire the assets of the commercial radio stations CHYC-FM Sudbury and CHYK-FM Timmins as well as its transmitters from The Haliburton Broadcasting Group Inc. and for new broadcasting licences to continue the operation of the stations.*

The application

1. The Commission received an application by LE5 Communications Inc. (LE5) to acquire the assets of the commercial radio programming undertakings CHYC-FM Sudbury and CHYK-FM Timmins as well as its transmitters CHYX-FM Kapuskasing and CHYK-FM-3 Hearst, Ontario from The Haliburton Broadcasting Group Inc. (Haliburton). The applicant also requested new broadcasting licences to continue the operation of the undertakings under the same terms and conditions as those in effect under the current licences.
2. LE5 is a corporation owned and controlled by Mr. Paul Lefebvre.
3. The Commission received an intervention in support of this application. It may be viewed on the Commission's website, at www.crtc.gc.ca, under "Public proceedings".

Commission's analysis and determinations

4. As set out in Public Notice 1998-41 and reaffirmed in Broadcasting Public Notice 2006-158, the Commission does not solicit competing applications for authority to transfer the ownership or control of radio, television and other programming undertakings and, as a result, the onus is on the applicant to demonstrate that the benefits proposed in the application are commensurate with the size and nature of the transaction.
5. The value of the transaction, based on the terms of the Asset Purchase Agreement, is \$425,000. LE5 did not propose any tangible benefits since the stations are in deficit.

6. In accordance with its tangible benefits policy established in Public Notice 1993-68, the Commission will not require payment of tangible benefits in the event of transfer of ownership of unprofitable undertakings. The profitability of an undertaking is measured according to the average profit before interest and tax of the undertaking over the three years preceding the filing date of the application.
7. For the present case, considering the nature and size of the proposed assets transaction and the stations' financial situation, the Commission will not impose a requirement for LE5 to pay tangible benefits.
8. The Commission is further satisfied that the transaction is in the public interest and that the integrity of its licensing process would not be compromised by its approval.
9. Accordingly, the Commission **approves** the application by LE5 Communications Inc. to acquire the assets of the French-language commercial radio programming undertakings CHYC-FM Sudbury and CHYK-FM Timmins as well as its transmitters CHYX-FM Kapuskasing and CHYK-FM-3 Hearst, Ontario, from The Haliburton Broadcasting Group Inc. and for new broadcasting licences in order to continue the operation of the undertakings under the same terms and conditions as those in effect in the current licences.
10. Upon surrender of the current licences issued to Haliburton, the Commission will issue new broadcasting licences to LE5. The terms and **conditions of licence** will be the same as those in effect under the current licences, which will expire 31 August 2012.

Employment equity

11. In accordance with *Implementation of an Employment Equity Policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Secretary General

Related documents

- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Commercial Radio Policy 1998*, Public Notice CRTC 1998-41, 30 April 1998

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>.