



Broadcasting Decision CRTC 2012-453

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Ottawa, 22 August 2012

Cogeco Diffusion Inc.
Québec, Quebec

Application 2011-1678-1

CJMF-FM Québec – Licence amendments

*The Commission **approves** the application by Cogeco Diffusion Inc. to amend the broadcasting licence for the radio station CJMF-FM Québec to be authorized to operate the station in a specialized format devoted to spoken word programming.*

The application

1. The Commission received an application by Cogeco Diffusion Inc. (Cogeco) to amend the broadcasting licence for the radio programming undertaking CJMF-FM Québec to be authorized to operate the station in a specialized format devoted to spoken word programming, as defined in Public Notice 1995-60 and amended in Public Notice 2000-14.
2. Specifically, the applicant proposed to amend condition of licence 1, set out in Appendix 1 to Broadcasting Decision 2010-322, so that it reads as follows:

The licence will be subject to the conditions set out in *Conditions of Licence for AM and FM Radio Stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, with the exception of condition number 7.

and to add the following conditions of licence:

The station will be operated within the specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, and *Revised Content Categories and Subcategories for Radio*, Public Notice CRTC 2000-14, 28 January 2000, as amended from time to time.

The licensee shall devote more than 50% of the programming broadcast during the broadcast week to programming drawn from Category 1 (Spoken Word).

3. Cogeco indicated that its requests reflect its commitment to bring greater diversity to radio programming in the Québec market by devoting most of CJMF-FM's weekly programming schedule to spoken word programming.

Interventions

4. The Commission received an intervention in opposition to the present application from the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ).
5. In its intervention, ADISQ stated that the licensee's rationale for its application is that listeners enjoy a predominantly spoken word format. It pointed out, however, that Cogeco's music programming is broadcast during the week from 7:00 p.m. on, and all day on weekends – in non-peak hours. According to ADISQ, CJMF-FM's programming already prioritizes verbal content, which explains the high ratings of its spoken word programming.
6. In addition, ADISQ recalled that when Cogeco acquired Corus' stations,¹ it claimed that its musical expertise would be an asset to the re-launch of spoken word stations such as CHLT-FM Sherbrooke, CJRC-FM Gatineau and CHLN-FM Trois-Rivières. ADISQ therefore expressed its regret that Cogeco is now claiming that music content is harming its station.
7. ADISQ concluded that the music content currently broadcast by CJMF-FM is not harming the station. It indicated that, on the contrary, CJMF-FM is the number one station in the market, and that its audience listening time continues to rise.

Cogeco's reply

8. Cogeco noted that it clearly stated, in the licence renewal for CJMF-FM, its intention to broadcast local programming and prioritize spoken word content from Monday to Friday, 6:00 a.m. to 6:00 p.m.
9. Cogeco added that the present application is part of a programming strategy based on spoken word programming developed within the acquisition process for Corus stations. In that regard, the Commission notes that in Broadcasting Decision 2010-942, Cogeco had mentioned the creation of a news agency to enrich the spoken word content broadcast by CJMF-FM.
10. Cogeco confirmed that should its application be approved, seven of the ten stations in the Québec market would offer a music format. Lastly, Cogeco stated that it would continue to broadcast 17 hours of music programming per broadcast week, in spite of its request to operate under the specialty format devoted to spoken word programming.
11. The public record for this application can be found on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

¹ See Broadcasting Decision 2010-942.

Commission's analysis and decisions

12. After examining the public record for this application, the Commission considers that the issues it must address relate to the following:

- the quality and diversity of programming offered in the Québec radio market; and
- the economic impact of the amendment on the radio market in Québec.

Quality and diversity of programming offered in the Québec radio market

13. According to CJMF-FM's programming schedule, which was included in the application, the music portion of the station's programming is currently broadcast exclusively in the evening, starting at 7:00 p.m. (i.e., in non-peak hours), and on weekends.

14. Should the application be approved, the portion of spoken word programming would increase from approximately 13 to 17 hours, Monday to Friday from 6:00 a.m. to 6:00 p.m., and the portion of music programming would drop from five hours to one hour per broadcast week. On Saturdays and Sundays, the music programming would drop from 18 hours to six hours, and spoken word programming would increase from zero to 12 hours.

15. Cogeco stated its intention to add, on weekend, a news and public affairs program, a cultural program, and a program on federal and provincial politics. It also stated its intention to add sports programs during the week.

16. The Commission notes that the additional spoken word programming planned by Cogeco would all be local, with the exceptions of *Bonsoir les sportifs* during the week and *Hockey des Canadiens*. In short, the licensee proposed to add 27.5 hours per week of local programming devoted to information and culture, which the Commission considers to be a significant investment in local programming.

17. In Broadcasting Decision 2010-942, in which the Commission approved Cogeco's application to acquire a number of radio stations owned by Corus, the Commission supported the creation of the COGECO Nouvelles agency announced by the licensee. The Commission stated that COGECO Nouvelles would make it possible to continue news and public affairs programming in Quebec. The Commission added that by putting in place the COGECO Nouvelles agency, Cogeco would provide revitalized leadership in news radio and would help breathe new life into local and regional news programming. It further added that this agency will complement the other news sources available in Quebec. The Commission notes that the present application is part of the news-based business strategy launched by Cogeco.

18. The Commission also notes that Cogeco intends to broadcast 17 hours of music programming on evenings and weekends, and maintain its current music format devoted to classic rock. In addition, although the specialty format enables Cogeco to

donate a portion of its Canadian content development (CCD) contribution to an eligible initiative that promotes the creation of category 1 (Spoken Word) programming, the licensee would continue to contribute at least 45% of CJMF-FM's annual CCD contribution to MUSICACTION. The Commission is therefore satisfied that Cogeco will continue to support the promotion of Canadian artists.

19. Finally, in regard to the intervention from ADISQ, the Commission shares Cogeco's opinion that with approval of the present application, seven commercial stations in the Québec market will continue to be devoted to music. As such, the Commission considers that these stations will ensure the diversity of music programming in that market.

Economic impact of the amendment on the radio market in Québec

20. The Commission notes that there are 21 radio stations currently serving the central Québec market, including 10 commercial stations and three stations owned by the Canadian Broadcasting Corporation.
21. The Commission also notes that CJMF-FM posted, in its current format, positive financial results. As such, the Commission considers that Cogeco's application is not founded on any particular financial need.
22. The Commission further notes that CJMF-FM already broadcasts spoken word programming during peak listening hours. The station proposed to broadcast supplementary spoken word programming mainly in the evenings and on the weekends, which would limit the financial impact that approval of the present application would have on competing station in that these broadcast hours are not as attractive to advertisers as are peak listening hours.
23. Finally, the Commission notes that none of the stations currently operating in the Québec market intervened in the present proceeding.
24. In light of the above, the Commission is of the view that approval of the amendments proposed by CJMF-FM would only have a limited impact on the Québec radio market, and no undue negative financial impact on incumbent radio stations.

Conclusion

25. In light of all of the above, the Commission **approves** the application by Cogeco Diffusion Inc. to amend the broadcasting licence for the radio programming undertaking CJMF-FM Québec to be authorized to operate the station in a specialized format devoted to spoken word programming.
26. Accordingly, the above-noted **condition of licence 1** shall now read as follows:

The licence shall adhere to the conditions set out in *Conditions of Licence for AM and FM Radio Stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, with the exception of condition number 7.

27. Further, the following **conditions of licence** have been added to the broadcasting licence for CJMF-FM:

The station shall be operated within the specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, and as amended by *Revised Content Categories and Subcategories for Radio*, Public Notice CRTC 2000-14, 28 January 2000, as amended from time to time.

The licensee shall devote more than 50% of the programming broadcast during the broadcast week to programs drawn from content category 1 (Spoken Word).

Secretary General

Related documents

- *Transfer of effective control of various commercial radio programming undertakings from Corus Entertainment Inc. to Cogeco inc.*, Broadcasting Decision CRTC 2010-942, 17 December 2010
- *Licence renewals*, Broadcasting Decision CRTC 2010-322, 28 May 2010, as corrected by *Licence renewals – Correction*, Broadcasting Decision CRTC 2010-322-1, 2 August 2010
- *Revised Content Categories and Subcategories for Radio*, Public Notice CRTC 2000-14, 29 January 2000
- *A Review of Certain Matters Concerning Radio*, Broadcasting Public Notice CRTC 1995-60, 21 April 1995

**This decision is to be appended to the licence.*