



Broadcasting Decision CRTC 2018-429

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Reference: 2018-106

Ottawa, 21 November 2018

5777152 Manitoba Ltd.
Esterhazy, Saskatchewan

Public record for this application: 2017-1025-2

*Public hearing in the National Capital Region
31 May 2018*

Low-power English-language FM radio station in Esterhazy

*The Commission **approves** an application by 5777152 Manitoba Ltd. for a broadcasting licence to operate a low-power English-language commercial FM radio station in Esterhazy, Saskatchewan.*

The station will be the first local radio service in Esterhazy.

Application

1. 5777152 Manitoba Ltd. (5777152) filed an application for a broadcasting licence to operate a low-power English-language commercial FM radio station in Esterhazy, Saskatchewan.
2. 5777152 is wholly owned and controlled by Mr. William Gade.
3. The station would operate at 99.5 MHz (channel 258LP) with an effective radiated power of 50 watts (non-directional antenna with an effective height of antenna above average terrain of 30 metres).
4. The station would offer a country, pop and rock music format intended to serve the widest possible demographic.
5. It would broadcast 126 hours of programming each broadcast week, including 98 hours of local programming of which approximately three hours would be newscasts. The remaining hours would be devoted to wraparound programming including shows such as The Classic Country and Oldies Show, Polka Hour and The Top 40 Country Countdown.
6. In regard to spoken word content, the applicant stated that the station would broadcast long-form interviews during the morning show and coverage of emerging events and elections.

Interventions and reply

7. The Commission received an intervention in support of this application, as well as an intervention in opposition from Harvard Broadcasting Inc. (Harvard), licensee of the commercial radio stations CJGX and CFGW-FM Yorkton, Saskatchewan, to which the applicant replied.
8. In its intervention, Harvard argued that Esterhazy is already served by CJGX and CFGW-FM. It submitted that the applicant had projected only \$16,000 in operating expenses, which in its view is not enough to establish a local presence and provide local news coverage. Harvard was also concerned that the proposed station would have an undue negative impact on the revenues of existing stations serving Esterhazy and surrounding markets.
9. 5777152 replied that CJGX and CFGW-FM are regional stations that cannot offer news stories about each community in their coverage areas. According to the applicant, the proposed station would have ample time to provide news about Esterhazy. The applicant added that little to no advertising revenues would come at the expense of Harvard's stations and that the proposed station would rely on synergies from its existing stations¹ to be viable.

Commission's analysis and decisions

10. The station's primary (3 mV/m) contour, as defined by the *Radio Regulations, 1986* (the Regulations), would encompass a population of 2,367 people, while its secondary contour would encompass a population of 2,472 people. The primary contours of the proposed station and Harvard's Yorkton stations do not overlap, and the coverage of the proposed station would be limited in comparison with that of Harvard's Yorkton stations.
11. The applicant indicated that its financial projections are based on the financial results for its radio station CJVM-FM Virden and that it would leverage synergies from its three existing stations to ensure the viability of the Esterhazy station.
12. Based on the above, the Commission finds that 5777152's proposed station would not have an undue negative impact on Harvard's Yorkton stations.
13. The applicant did not propose any over-and-above contributions to Canadian content development (CCD), but indicated that it intended to support CCD initiatives such as providing, when possible, advertising and funding support for local concerts that feature new, emerging and local artists. It would also make equipment available to assist local school bands in getting airplay.

¹ namely, CJVM-FM Virden, CJBP-FM Neepawa and CJIE-FM Winnipeg Beach, Manitoba

14. The Commission notes that Esterhazy is a small market, and that according to the applicant's financial projections, the proposed station would not be required to make an annual basic CCD contribution.²
15. Finally, in regard to local programming, the Commission notes that licensees must include spoken word material of direct and particular relevance to the community served, such as local news, weather and sports, and the promotion of local events and activities.
16. The Commission considers that the proposed station would add to the diversity of local radio programming by providing a first local service with locally relevant news and information to serve the needs and interests of listeners in Esterhazy and surrounding areas. There are currently no other commercial FM radio stations that are specifically licensed to serve Esterhazy. The station would therefore operate in a single-station market as defined in Public Notice 1993-121.

Conclusion

17. In light of all of the above, the Commission **approves** the application by 5777152 Manitoba Ltd. for a broadcasting licence to operate a low-power English-language commercial FM radio programming undertaking in Esterhazy, Saskatchewan. The terms and **conditions of licence** are set out in the appendix to this decision.

Reminder

18. The Commission reminds the licensee that it must incorporate local news, weather, sports coverage and the promotion of local events and activities in its everyday programming, including on weekends.

Secretary General

Related documents

- *Amendments to the Radio Regulations, 1986 concerning basic Canadian content development contributions and the addition of a definition of the Community Radio Fund of Canada*, Broadcasting Regulatory Policy CRTC 2013-476, 6 September 2013
- *Local programming policy for FM Radio – Definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993.

This decision is to be appended to the licence.

² Under Broadcasting Regulatory Policy 2013-476, licensees of commercial radio stations with revenues of \$1,250,000 or less in the previous broadcast year are relieved of the requirement to make basic CCD contributions.

Appendix to Broadcasting Decision CRTC 2018-429

Terms, conditions of licence, expectation and encouragement for the low-power English-language commercial FM radio programming undertaking in Esterhazy, Saskatchewan

Terms

The licence will expire 31 August 2025.

The station will operate at 99.5 MHz (channel 258LP) with an effective radiated power of 50 watts (non-directional antenna with an effective height of antenna above average terrain of 30 metres).

Pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

The Department of Industry's *BPR-3: Application Procedures and Rules for FM Broadcasting Undertakings* specifies that a low-power FM radio station is considered a secondary assignment operating on an unprotected channel. Should an FM station or transmitter with protected status be granted a frequency that is incompatible with that used by the low-power station considered in this decision, the licensee may need to cease the operation of that low-power station or file an application to change its frequency and/or technical parameters.

Furthermore, the Commission will only issue a licence for this undertaking once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be in operation by no later than **21 November 2020**. To request an extension, the applicant must submit a written request to the Commission at least 60 days before that date, using the form available on the Commission's website.

Conditions of licence

1. The licensee shall adhere to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, as well as to the conditions set out in the broadcasting licence for the undertaking.

Expectation

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

Encouragement

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.