



## Broadcasting Decision CRTC 2025-44

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Reference: 2024-148

Ottawa–Gatineau, 13 February 2025

### **Vista Radio Ltd.**

Various locations in British Columbia

*Public record: 2024-0135-5*

*Public hearing in the National Capital Region*

*5 September 2024*

## **Various radio stations in British Columbia – Change in ownership and effective control**

### **Summary**

The Commission approves an application by Vista Radio Ltd. (Vista) to change the ownership and control of 21 English-language commercial radio programming undertakings in British Columbia, listed in Appendix 1 to this decision. Through this transaction, Vista will acquire from Bell Media Inc. the assets necessary to operate these stations.

The Commission also approves Vista's request for new broadcasting licences to continue the operation of the stations.

The Commission finds that approving this transaction is in the public interest, as it will help ensure that the stations continue to serve the various communities in British Columbia. These stations will be operated by a new commercial licensee who is committed to showcasing a diversity of voices and emerging Canadian musical artists and providing local programming to the communities.

### **Application**

1. On 26 March 2024, the Commission received an application from Vista Radio Ltd. (Vista), on behalf of Bell Media Inc. (Bell Media), for authority to acquire from Bell Media the assets of 21 English-language commercial radio programming undertakings in British Columbia, listed in Appendix 1 to this decision. Vista also requested new broadcasting licences to continue the operation of the stations under the same terms and conditions as those currently in effect.
2. Vista is a privately owned Canadian radio broadcasting company controlled by Westkirk Capital Corp., a wholly owned subsidiary of SEB Investments Ltd., which is majority held by Thomson Investments Ltd.

3. Bell Media is wholly owned by Bell Canada, which is a subsidiary of the publicly traded corporation BCE Inc. (BCE). The effective control of BCE is exercised by its board of directors.
4. On 7 February 2024, Vista entered into an agreement with Bell Media to acquire the assets of 21 English-language commercial stations and their transmitters in British Columbia.
5. The purchase price for the assets is \$3,036,000. Vista proposed a value of the transaction of \$5,561,647, which included the purchase price and the total value of leases payable over five years. There are no liabilities being assumed nor working capital transferred at closing. Vista also proposed a tangible benefits package of \$333,698.82, which represents the minimum 6% of the proposed value of the transaction.

### **Interventions and reply**

6. The Commission received interventions in support of Vista's application from Text Groove Communications Inc. (Text Groove), PayVibe/Daily Deal Builder, LeanStream and Pro Bona Group, as well as a joint supporting intervention filed by the applicant on behalf of various parties. The Commission also received interventions commenting on the application from the National Campus and Community Radio Association (NCRA), the Community Radio Fund of Canada (CRFC), the Public Interest Advocacy Centre (PIAC), the Conseil provincial du secteur des communications du Syndicat canadien de la fonction publique (CPSC-SCFP), the Forum for Research and Policy in Communications (FRPC), and an individual. Vista replied collectively to the interventions from the NCRA, the CRFC, PIAC and the FRPC.

### **Legal framework**

7. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act* (the Act). Obtaining a licence to operate a broadcasting undertaking (in this case, radio stations) is a regulatory privilege granted by the Commission. A licensee does not have the authority to transfer a licence to a new operator as they see fit.
8. For this reason, licensees must obtain the Commission's approval before entering into any action, agreement, or transaction that changes, directly or indirectly, the effective control of the radio station. This requirement is set out in subsection 11(4) of the *Radio Regulations, 1986* (the Regulations).
9. When seeking the Commission's approval, the applicant must demonstrate that the benefits of the transaction are commensurate with the size and nature of the transaction and that the application represents the best possible proposal under the circumstances. The Commission will consider the application on its merits and will approve the transaction if the change in ownership and effective control is in the public interest. The public interest is reflected in the Canadian broadcasting and regulatory policy set out in subsections 3(1) and 5(2) of the Act.

10. Under subsection 18(1) of the Act, the Commission must conduct a public hearing for the issuance of a broadcasting licence. Broadcasting Information Bulletins 2011-222 and 2008-8-2 outline that the Commission generally reviews applications for asset purchases through public hearings, either appearing or non-appearing. Applications are non-appearing where the Commission is satisfied that the applicant and interested parties had an opportunity to present their views and that the written record is sufficient and further discussion is not necessary.

## **Issues**

11. After examining the record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:

- whether the applicant's ownership structure satisfies the requirements of the *Direction to the CRTC (Ineligibility of Non-Canadians)*<sup>1</sup> (the Direction);
- whether the proposed transaction is consistent with the Commission's Common Ownership Policy for radio;
- whether the proposed transaction is in the public interest;
- the value of the transaction and tangible benefits;
- the allocation of tangible benefits; and
- whether the proposed transaction fulfills the regulatory requirements.

## **Canadian ownership and control**

12. Pursuant to paragraph 3(1)(a) of the Act, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. As required by the Direction, no broadcasting licence can be issued to a non-Canadian.

13. Effective control of the stations would be exercised by Westkirk Capital Corp., a wholly owned subsidiary of SEB Investments Ltd., which is majority held by Thomson Investments Ltd. The board of directors of Thomson Investments Ltd. is composed entirely of Canadians. As such, the proposed transaction satisfies the eligibility criteria set out in the Direction.

## **Common Ownership Policy for radio**

14. In accordance with the Revised Commercial Radio Policy,<sup>2</sup> the Common Ownership Policy provides that in markets<sup>3</sup> with fewer than eight commercial radio stations

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<sup>1</sup> SOR/97-192, 8 April 1997.

<sup>2</sup> See Broadcasting Regulatory Policy 2022-332.

<sup>3</sup> According to the Regulations, the "market" in the case of an FM station is defined by the theoretical 3 mV/m contour or the central area as defined by Numeris (formerly Bureau of Broadcast Measurement), whichever is

operating in a given language, a person may be permitted to own or control as many as three stations operating in that language, with no limits on frequency band (FM or AM).

15. The guidelines governing the application of the Common Ownership Policy in regard to areas where radio markets are close together are set out in Broadcasting Information Bulletin 2010-341.
16. As stated in that information bulletin, a station will generally be excluded from the calculation of the number of stations in a market if the population in the overlapping area represents less than 5% of the market. However, a station will be included in the calculation if the population of the overlapping area represents 15% or more of the market.
17. Further, where the population in the overlapping area represents 5% or more, but less than 15% of the market, if the competitive balance of the market is maintained and the direction of news and public affairs coverage is not affected, an application will remain compliant even if a person exceeds the maximum number of stations allowed in the market.

#### **Positions of parties**

18. The NCRA commented on the application as it relates to the CJAT-FM Trail market. It questioned whether approval of Vista's acquisition of CJAT-FM and CKKC-FM Nelson would be inconsistent with the Common Ownership Policy and might therefore negatively impact the local radio market's competitive balance. The NCRA further expressed concerns over the potential impact that approval of the transaction could have on the financial viability of the community radio station CJLY-FM Nelson, and the limited ability of CJLY-FM to compete with Vista for advertising revenues.
19. Vista replied that the Commission should use realistic coverage contours rather than theoretical contours when calculating the number of stations in the CJAT-FM market. It noted that the radio stations it is seeking to acquire in the Trail and Nelson region operate in a very rugged area of the country with high mountains and deep and winding river valleys, which can cause the population covered by a radio signal based on realistic coverage contours to vary considerably from the population that falls within a station's theoretical contours.
20. According to Vista, less than 5% of the total population within the realistic coverage contour for CJAT-FM is within those for CKKC-FM and CHNV-FM Nelson. Further, none of the population within the realistic coverage contour for CKGF-1-FM Christina Lake is contained within that for CJAT-FM. Based on this, Vista stated that it would therefore own two stations in the CJAT-FM Trail market (CJAT-FM and CKQR-FM

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smaller. The theoretical 3mV/m (primary) and 0.5 mV/m (secondary) contours demonstrate the approximate extent of coverage over average terrain. The true coverage of a radio signal may vary, and therefore realistic contours can be created using accepted engineering tools that take into account actual conditions, such as terrain or natural objects, to provide a coverage estimate.

Castlegar), and that the proposed transaction would not raise concerns with respect to the Common Ownership Policy.

21. In reply to the NCRA's intervention, Vista also stated that CHNV-FM, CKKC-FM and CJLY-FM will continue to use format diversity to target different segments of the local audience, with no material change in the competitive balance in the market.

#### **Commission's decisions**

22. The Regulations define the market of an FM station as its 3 mV/m contour, which is a theoretical contour. As such, the Commission uses theoretical contours for all applications – including the present application – to determine the number of stations in the market and the overlap in the population covered by each of the relevant stations' markets.
23. After examining the primary contours of all of the stations to be acquired in each market, the Commission has identified two markets – those of CHNV-FM Nelson and CJAT-FM Trail – for which approval of the application could be inconsistent with the Common Ownership Policy.

#### ***CHNV-FM Nelson market***

24. Vista currently operates CHNV-FM in the Nelson market, and CKQR-FM in an adjacent market. Vista is seeking to acquire CJAT-FM, which broadcasts from Trail, an adjacent market to Nelson, as well as CKKC-FM. Since the population within CKQR-FM's primary contour would overlap less than 5% of the population within CHNV-FM's primary contour, the Commission would not consider CKQR-FM to be included in the number of stations operated by Vista in the CHNV-FM market, consistent with Broadcasting Information Bulletin 2010-341. As such, Vista would continue to operate three radio stations in the CHNV-FM market. The Commission therefore finds that approval of the application is consistent with the Common Ownership Policy in the CHNV-FM market.

#### ***CJAT-FM Trail market***

25. In the CJAT-FM Trail market, approval of Vista's application would result in the applicant being the only commercial operator in that market, owning five FM presences in that market: CKQR-FM,<sup>4</sup> CHNV-FM and CKGF-FM (through the rebroadcasting transmitter CKGF-1-FM), all of which are currently owned by Vista, and CJAT-FM and CKKC-FM, stations the applicant wishes to acquire.
26. Based on theoretical contours, the population overlap for both CJAT-FM and CHNV-FM, and CJAT-FM and CKKC-FM, is between 5% and 15%. In accordance with Broadcasting Information Bulletin 2010-341, the Commission must therefore consider

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<sup>4</sup> While Vista also operates CHRT-FM Trail, a rebroadcasting transmitter for CKQR-FM, the Commission considers that they form a single FM presence in the CJAT-FM market.

the competitive balance within the CJAT-FM market and the risk of affecting the orientation of news and public affairs programming in that market.

27. When analyzing the effect that approval of the application would have on the competitive balance in the market, the Commission can take into consideration a variety of factors (including geography, population size and advertising) as part of its analysis to assess the economic impact of a transaction. One factor that can be taken into consideration is a station's realistic coverage contours, if the strength of the signal differs significantly due to the geography of the region.
28. The Commission notes that, according to Vista, only 3.6% of active local advertising orders received by CHNV-FM originate from businesses in Trail. Vista further added in its application that CKKC-FM and CHNV-FM would principally serve Nelson and not compete for the CJAT-FM market's advertising.
29. Moreover, the area surrounding CJAT-FM is mountainous and has an impact on signal strength. Consequently, the actual population served by CJAT-FM is less than the population covered in its theoretical contours. Under their realistic contours, the signals of CKKC-FM and CHNV-FM are weak in the CJAT-FM market. As such, competitive balance in the market would not be significantly affected should the Commission approve Vista's application.
30. To address the NCRA's concerns regarding the limited ability of CJLY-FM to compete with Vista for advertising revenues in Nelson and Trail should this application be approved, the Commission notes that community radio stations are not typically as reliant on advertising revenue as they have access to other funding sources when compared to commercial radio stations.
31. In regard to the risk of affecting the orientation of news and public affairs programming, Vista stated that programming on the Nelson-based radio stations (CKKC-FM or CHNV-FM) would not interest listeners in Trail, except for during emergencies in the region, during which the information would be equally available on CJAT-FM (in Trail). As such, the Commission considers there would be no competition between the stations.
32. Finally, the weak realistic reach of CKKC-FM and CHNV-FM into the CJAT-FM market would indicate that the orientation of news and public affairs programming in the CJAT-FM market would likely not be affected.
33. In light of the above, the Commission concludes that approval of Vista's application would not affect the competitive balance in the CJAT-FM market nor affect the orientation of CJAT-FM's news and public affairs coverage. Accordingly, the Commission finds that approval of this application is consistent with the Common Ownership Policy under the guidelines set out in Broadcasting Information Bulletin 2010-341.
34. Through its acquisition of the various British Columbia stations, Vista would become a dominant player in the CJAT-FM market. Accordingly, the Commission finds that it is appropriate to set out an expectation for Vista that CHNV-FM, CKKC-FM and CJAT-

FM are not to solicit or accept advertising outside of their authorized licensed markets (see Appendix 2 to this decision).

### **Public interest of the proposed transaction**

35. When the Commission evaluates whether a transaction is in the public interest, it examines the extent to which the transaction improves the Canadian broadcasting system and contributes to meeting the policy objectives of the Act. Section 3 of that Act describes a broadcasting system that contributes to the creation and presentation of Canadian programming, and through its programming reflects the multicultural and multiracial nature of Canadian society. Furthermore, the programming that the system provides should be drawn from local and regional sources and should ensure that a diversity of news voices is offered to the public.
36. Vista indicated that Bell Media is selling the British Columbia radio stations because they no longer align with the company's core strategy. It further indicated that according to Bell Media, transferring ownership to Vista, a company with expertise in small-market radio, would benefit the public by keeping the stations operational and preserving the quality of local broadcasting.
37. Vista noted that it owns 63 stations and transmitters in smaller Canadian communities and described this acquisition as an opportunity to strengthen local media. It noted that it is dedicated to enhancing local programming, news, and its digital presence to better serve these communities.
38. Finally, Vista submitted that the proposed acquisition would enrich local communities by incorporating Indigenous music and integrating the stations into the Vista Emergency Response Notification (VERN) network for timely emergency information. It added that the transaction would comply with regulatory guidelines, ensuring continued operation under the existing conditions of service. In Vista's view, all of these factors align with the public's best interests.

### **Positions of parties**

39. The CPSC-SCFP and the FRPC expressed concerns regarding the lack of detailed information on employment outcomes following the acquisition. They argued that while Vista has shown enthusiasm for integrating employees from the acquired stations and providing them with benefits and support, there are concerns over whether jobs will be maintained, created, or eliminated as a result of the acquisition. They considered that this uncertainty could impact Vista's ability to sustain or enhance local programming and employment, which they consider important for meeting community needs and adhering to Canadian broadcasting policies.
40. According to the NCRA, the presence of multiple Vista-owned stations in the smaller markets of CJAT-FM Trail and CHNV-FM Nelson could disrupt local competition and diminish the diversity of voices.

41. In regard to the NCRA's concerns, Vista replied that approval of the proposed acquisition of the British Columbia stations would allow it to bring its proven management style and make substantial investments to enhance the quality and reliability of the programming offered by the stations in the regions affected by the transaction. The applicant clarified that after the acquisition, the radio stations in Nelson would continue to use format diversity to serve different segments of the local audience, to ensure that a variety of content and perspectives are available to the community. Vista also noted that this strategy would not negatively impact the community radio station CJLY-FM. Vista did not address the concerns of the CPSC-SCFP and the FRPC.

#### **Commission's decision**

42. The Commission recognizes that approval of the transaction would help ensure that the stations to be purchased by Vista continue to offer programming to the communities they serve. Approval of Vista's application would also maintain the diversity of voices in the markets served by the stations by substituting one commercial operator for another, ensuring that a variety of radio stations continue to provide diverse editorial content. In the Commission's view, Vista is committed to enhancing local programming, news, and digital presence,<sup>5</sup> and is an experienced broadcaster in the province of British Columbia with the knowledge and capability to make the stations viable.
43. Furthermore, Vista expects that the acquisition of the stations would foster synergies with its existing network of radio stations through enhanced collaboration among stations. As part of its plan, should its application be approved, Vista intends to integrate the newly acquired stations into the VERN network, which would ensure timely delivery of emergency information. In addition, Vista has committed to broadcast local programming, which is discussed in greater detail below.
44. All of the commercial stations to be acquired by Vista would remain commercial stations. While the Commission considers that there would be no change to the current diversity of elements in Nelson and Trail following the transaction, Vista would nevertheless be a dominant player, controlling a total of four FM stations and one rebroadcasting transmitter (for a total of five presences) in the CJAT-FM market and three stations in the CHNV-FM market.
45. As noted above, upon approval of the application, Vista would be the only commercial operator in the CJAT-FM market. Further, there is no frequency scarcity in this market. As such, there is an opportunity for more commercial stations to enter the market, which would add to the plurality of editorial voices and the diversity of programming. In the Commission's view, this, along with the presence of other, non-commercial stations in the market (specifically, a Canadian Broadcasting Corporation station and a community radio station), would mitigate concerns relating to the diversity of editorial voices and programming.

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<sup>5</sup> Vista primarily focuses on owning and operating local radio stations across Canada, without the extensive integration into other forms of media or telecommunications that characterizes vertically integrated operators.

46. The diversity of programming encompasses, among other things, the availability of differing genres and musical formats. CJAT-FM and CHNV-FM currently broadcast under distinct programming formats. Vista stated that should its application be approved, it would assess the market and engage with the local community to create a radio station that best suits the needs and lifestyle of both communities in terms of information, news and music offerings. The applicant added that it would emphasize local interests and bolster the presence of local media in the market by adding journalistic presence, reviving formerly loved brands and providing human resources to local teams to support the market, the community and the stations' performance.
47. In regard to the concerns expressed by the CPSC-SCFP and the FRPC, the Commission notes that under article 4.5 of the Asset Purchase Agreement, Vista must, as of the closing date of the transaction, offer employment to each non-union employee on terms that are similar to their current conditions. If this application is approved, all employment obligations required to carry on the business and operations of the stations will be transferred to or otherwise assumed by Vista. In the Commission's view, this would help ensure stability in the current workforce for the stations to be acquired by Vista.
48. Finally, as discussed below, the transaction would generate \$388,602 in tangible benefits. Various funds and initiatives would receive support as a result, benefiting the broadcasting system.
49. In light of the above, the Commission finds that approval of this transaction is in the public interest.

#### **Value of the transaction and tangible benefits**

50. The Commission ensures that the public interest is served by requiring that the purchasing company make financial contributions to Canadian content development (CCD) that are proportionate to the size and nature of the transaction. These contributions are known as "tangible benefits." Tangible benefits serve the public interest because they increase the quantity and quality of Canadian programming and support the creation, distribution and promotion of such programming. Since the Commission does not solicit competing applications for changes to the ownership or effective control of broadcasting undertakings, the Commission requires that applicants propose tangible benefits when they seek the Commission's approval to change the effective control of radio and television programming services.
51. The amount of tangible benefits payable depends on the value of the transaction. In the case of radio stations, tangible benefits represent at a minimum 6% of the value of the transaction. The Commission looks at the value of the transaction as a whole, including the value of gross debt, working capital to be transferred at the close of the transaction, ancillary agreements, and any leases assumed by the purchaser for real property (buildings, studios and offices) and transmission facilities. The value of leases is calculated over a period of five years. These elements, if applicable, are added to the purchase price.

52. Vista proposed a value of the transaction of \$5,561,647. This amount includes the purchase price (\$3,036,000) and the total value of the leases payable over five years (\$2,525,648). No working capital would be transferred at closing, and Vista confirmed that it would not assume any debt or liabilities.

### **Positions of parties**

53. The individual intervener raised concerns over the value of the transaction as proposed by Vista. They noted that Vista is set to acquire 21 stations for approximately \$3 million, while an application filed by Golden Horseshoe Broadcasting sets out a purchase price of \$22.5 million for four radio stations in Hamilton and St. Catharines, Ontario, that it is seeking to acquire from Bell Media.<sup>6</sup> The intervener calculated that Vista would be paying \$145,000 per station, which it considered to be low. As such, the intervener requested that the Commission review the valuation process to ensure it is fair and accurate.

### **Commission's decision**

54. As set out in the Tangible Benefits Policy,<sup>7</sup> the purpose in determining the value of the transaction is not to value the undertakings to be acquired or ensure that the purchase price is reasonable, but rather to arrive at an appropriate amount on which to calculate tangible benefits, taking into account the public interest and the absence of a competitive licensing process.

55. Ultimately, the purchase price is negotiated by the parties based on the specific factors and circumstances involved in the transaction. Considerations may include the type of market, the pool of prospective buyers, the assets involved, the financial performance of the station, the competitive landscape and the risk level forecasted, all of which could vary significantly from transaction to transaction.

56. As such, the purpose of the Commission's examination of Vista's proposed value of the transaction is to ensure that it conforms to the method set out in the Tangible Benefits Policy and that the values for leases, working capital, and debt are accurately calculated to determine the proposed value.

57. Vista indicated that the total value of leases payable over five years is \$2,525,648, that no working capital would be transferred at closing, and that it would not assume any debt or liabilities. After examination, the Commission found the value of the assumed leases to be inaccurate and recalculated the value to be \$3,440,695 (a discrepancy of \$915,047). In reply to a Commission request for confirmation, Vista agreed with the revised figure.

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<sup>6</sup> This application was part of a public hearing held on 8 October 2024 in the National Capital Region. See Broadcasting Notice of Consultation 2024-172, as amended by Broadcasting Notice of Consultation 2024-172-1.

<sup>7</sup> See Broadcasting Regulatory Policy 2014-459.

58. In light of the above, the Commission finds that the value of the transaction is \$6,476,695, itemized as follows:

Purchase Price	\$3,036,000
Debt	\$0
Revised value for the assumed leases over five years	\$3,440,695
Working capital	\$0
<b>Revised value of the transaction</b>	<b>\$6,476,695</b>

#### **Allocation of tangible benefits**

59. Vista initially proposed a tangible benefits package of \$333,668.82, representing the minimum 6% of the initially proposed value of the transaction. However, Vista subsequently agreed to a revised tangible benefits package of \$388,602, based on the revised value of the transaction.

60. As per the Revised Commercial Radio Policy, tangible benefits amounts must be paid over seven consecutive broadcast years and be allocated as follows:

- 3% to the Canadian Starmaker Fund and Fonds RadioStar;
  - 60% to the Canadian Starmaker Fund and 40% to Fonds RadioStar
- 1.5% to FACTOR and Musicaction;
  - 60% to FACTOR and 40% to Musicaction
- 1% to any eligible CCD initiative at the discretion of the purchaser; and
- 0.5% to the CRFC.

61. Vista proposed a different approach to the allocation of the funds, as follows:

- 1.5% to the Canadian Starmaker Fund and Fonds RadioStar;
  - 60% to the Canadian Starmaker Fund and 40% to Fonds RadioStar
- 0.75% to FACTOR and Musicaction;
  - 60% to FACTOR and 40% to Musicaction
- 3.5% to any eligible CCD initiative at the discretion of the purchaser; and
- 0.25% to the CRFC.

62. Specifically, Vista proposed to devote a percentage of tangible benefits to discretionary initiatives that is greater than what the Commission normally requires, with lower percentages for the five independent funds. It explained that its proposed approach to reallocate funds would allow it to focus on local CCD initiatives that fall into one of the following categories set out in the Revised Commercial Radio Policy:

- Schools and education institutions that are accredited by provincial authorities. Such contributions must specifically benefit students of music and journalism, including scholarships and the purchase of musical instruments.
- Independent parties dedicated to producing new spoken word content that would otherwise not be produced for broadcast.
- Audio content initiatives that would further advance the fulfilment of specific objectives of the Canadian broadcasting system as outlined in the Act such as a community radio fund, Indigenous radio, and other specialized audio broadcasting services dedicated to serving the particular needs and interests of children, Indigenous peoples, and persons with disabilities.

63. Vista added that the proposed allocation would address the on-going requirement to support the development of Canadian musical talent while at the same time providing much needed support for the development of the journalistic talent and diverse innovative audio content necessary to address the local news and information gap.

#### **Positions of parties**

64. PIAC submitted that Vista's proposal regarding discretionary initiatives is self-serving, especially if funding is delivered to favoured local institutions, particularly those advertised or promoted by the stations that form part of the present transaction. PIAC added that education monies designed for scholarships are typically named after the benefactor, which in this case would be Vista.

65. In PIAC's view, Vista should instead allocate, in equal portions, the 1% discretionary portion of its tangible benefits to the Broadcast Participation Fund (BPF) and the Broadcast Accessibility Fund (BAF). PIAC argued that these funds, which are crucial for public participation in broadcasting proceedings and thus help the Commission make informed decisions, are underfunded. PIAC added that Vista's proposed allocation is not justified and runs counter to both the Tangible Benefits Policy and the Revised Commercial Radio Policy.

66. The FRPC stated that 10% of the total tangible benefits should be allocated to the BPF, to provide that fund with financial stability.

67. The NCRA acknowledged that Vista's proposal respects and reflects the Commission's policies and principles that were established for local CCD initiatives. It further acknowledged the small size of most of the new markets in which Vista proposed to fund local CCD initiatives, including the independent production of spoken word content that

would fulfill objectives of the broadcasting system that are typically the focus of campus and community radio.

68. However, the NCRA opposed Vista's proposed allocation of tangible benefits contributions to the CRFC. It submitted that Vista's proposal to address the local news and information gap was vague, making it challenging to assess whether the proposal would be appropriate, particularly if the funds allocated to the CRFC are decreased. The NCRA further submitted that approval of Vista's proposal could have the unintended result of diminishing the campus and community radio sector's ability to address that same gap. It also expressed concern over the possibility that approving Vista's proposed allocation could open the door to future similar exception requests, resulting in a greater reduction of funding to the CRFC.
69. Finally, the CRFC opposed decreasing the portion of tangible benefits to be paid to its organization but did not provide reasons to support its position.
70. As a general reply to the interventions received on this issue, Vista submitted that its proposed allocation of tangible benefits would further support and strengthen the availability of diverse high quality local audio information. It added that "[...] this proposed allocation of our financial support for [CCD] is consistent with the approach that the Commission adopted in [Broadcasting Regulatory Policy 2024-121] in which it recognized the importance of, and the need for increased funding of local news production by commercial radio stations in smaller markets such as those served by the radio stations that we are proposing to acquire."
71. In response to PIAC's concerns, Vista explained that, based on the Commission's definition of "self-serving" set out in paragraph 27 of the Tangible Benefits Policy, its proposed local CCD initiatives would fall within three of the categories of eligible local CCD initiatives and would follow the guiding principles established by the Commission in the Revised Commercial Radio Policy. Vista added that the Commission will have an opportunity to confirm whether the initiatives are self-serving when it reviews Vista's annual reports. It further noted that, as specified at paragraph 161 of the Revised Commercial Radio Policy, the Commission would be prepared to consider exceptions from the allocation formula.
72. In regard to requests to direct tangible benefits to the BPF and the BAF, Vista responded that while it understands that the Commission has encouraged applicants to consider directing some tangible benefits funding to the BPF, the public interest would be best served by its proposed allocation of the tangible benefits in the context of its specific application and the very significant local news and information issues to be addressed.
73. In regard to the NCRA's comments, Vista replied that its proposal is not vague. The applicant added that the adoption of its proposed approach would be consistent with paragraph 161 of the Revised Commercial Radio Policy, in which the Commission stated that it "may choose to exercise its discretion and depart from this allocation policy where it is of the view that the public interest would be furthered by granting an exception, based on the record before it at the time."

## Commission's decisions

74. When proposing discretionary initiatives as a part of tangible benefits, the onus is on the applicant to demonstrate, in its application, that the proposal is not self-serving. The applicant is also expected to demonstrate that the proposed discretionary initiatives would benefit the broadcasting system as a whole or the communities served by the undertakings to be purchased.
75. In the Commission's view, Vista's proposed approach and rationale for the allocation of tangible benefits does not justify a departure from the required allocation of tangible benefits set out in the Revised Commercial Radio Policy.
76. The Commission acknowledges that supporting local initiatives plays an important role in addressing the needs of the local communities served by radio stations. However, approving Vista's proposed allocation of funds to discretionary initiatives would be detrimental to the beneficiaries of the independent funds as they would be deprived of thousands of dollars that would otherwise be available to support the creation and promotion of Canadian musical and spoken word content and talent. Approval of Vista's proposal would also favour the recipients of the proposed initiatives over the Canadian Starmaker Fund and Fonds Radiostar, FACTOR and Musicaction, and the CRFC. It is because of the expertise of these independent funds and their knowledge of their recipients' needs that the administration of contributions by the funds is fair and efficient. Contributions to these funds would also address any risk that the money would be used in a self-serving manner in favour of the contributors.
77. Further, given that the Commission recently amended the allocation of tangible benefits to the Canadian Starmaker Fund and Fonds RadioStar as well as FACTOR and Musicaction,<sup>8</sup> approving Vista's proposal could result in destabilizing the funding of beneficiaries active in the Canadian audio/radio broadcasting system that are already experiencing economic hardship due to diminishing revenues and inflation that is currently affecting the Canadian economy.
78. In regard to the proposals by PIAC and the FRPC, while other funding initiatives, including the BPF and the BAF, are valuable and important in the broadcasting sector, the Commission notes that Vista opted not to direct funding to those funds.
79. Public participation in Commission proceedings is of great importance. A diversity of evidence informs the Commission's work in fulfilling its mandate to regulate and supervise the broadcasting system. Obtaining evidence from individual consumers or from organizations advocating in the public interest helps the Commission make informed, evidence-based decisions with far-reaching impacts.
80. In its [Regulatory plan to modernize Canada's broadcasting framework](#), the Commission stated its intention to launch a consultation to explore new ways to fund the participation of groups that represent the public interest to better facilitate their participation in

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<sup>8</sup> See Broadcasting Regulatory Policy 2022-332.

Commission proceedings. The Commission intends to launch that consultation in the coming weeks and encourages individuals and groups to participate.

81. In light of the above, the Commission finds it appropriate to impose on Vista a tangible benefits package of an amount based on the value of the transaction as recalculated by the Commission and that, in regard to the allocation of funds, is consistent with the Tangible Benefits Policy and the Revised Commercial Radio Policy.
82. The amended Act now includes express provisions relating to the imposition of expenditure requirements. As a result, tangible benefits must be imposed by order made pursuant to subsection 11.1(2) of the Act. Accordingly, the Commission considers it appropriate to order Vista, by condition of service, to allocate \$388,602 in tangible benefits, to be paid in equal instalments over seven consecutive broadcast years, consistent with the Tangible Benefits Policy and the Revised Commercial Radio Policy.

## **Regulatory requirements**

### **Programming**

83. Local programming is important to the broadcasting system, and the Commission expects radio stations to reflect the communities they serve through the programming they broadcast. As an incentive to broadcast local programming, commercial FM radio stations that do not serve a single-station market can only solicit or accept local advertising if they devote at least one-third of their programming (equivalent to 42 hours) to local programming, which can include both spoken word and musical content. A standard condition of service to that effect is set out in the appendix to Broadcasting Regulatory Policy 2022-334.
84. Vista proposed to broadcast over 100 hours of local programming each broadcast week on most of the stations it wishes to acquire. It stated that it would enhance the quality and reliability of programming of each station, with an emphasis on the news and information that is relevant to the communities served. The applicant added that it would “engage with the local communities to create a local station that offers information, news and music that best fits the local lifestyle and which addresses the issues and needs of local residents,” which is the same approach it uses for its radio stations serving other markets.
85. Text Groove and the FRPC expressed support for Vista’s local programming commitments.
86. In light of the above, the Commission finds that Vista’s proposal meets the local programming and news requirements.

### **Conditions of service relating to reasonable access to advertising availabilities, currently applicable to most of the stations Vista wishes to acquire**

87. With the exception of CKCR-FM Revelstoke and CHTK-FM Prince Rupert, all of the stations Vista wishes to acquire are currently required, by condition of service, to provide commercially reasonable access to advertising availabilities to unrelated operators of

broadcasting undertakings and telecommunications service providers.<sup>9</sup> This requirement was imposed in Broadcasting Decision 2013-310 as a result of the Commission's approval of the acquisition of the stations by BCE from Astral Media Inc. (Astral). Vista indicated that it wished to remove that condition of service.

88. In that decision, the Commission acknowledged that BCE, through its acquisition of Astral's services, would control a significantly large advertising inventory, both in television and in radio, and would be in a position to limit access to valuable advertising space by its competitors. Given the detrimental effect this could have had on competitors not controlling similar advertising availabilities themselves, the Commission considered that it was necessary to impose the above-noted condition of service on all BCE-related radio stations.
89. The purpose of the condition of service was to address BCE's size and market power as a vertically integrated entity. If the Commission approves the present application, the size of the advertising inventory controlled by Vista would be significantly less than that currently controlled by BCE. Further, Vista would not be controlling a significantly larger advertising inventory than it currently does. Therefore, the Commission finds that it would be appropriate not to impose that condition of service for Vista.

#### **Licence terms**

90. The licences for the 21 stations that Vista wishes to acquire, set out in Appendix 1, do not all expire at the same time. The licences for CKCR-FM and CHTK-FM expire 31 August 2026.<sup>10</sup> The licences for CHOR-FM Summerland and CKGR-FM Golden and its transmitter CKIR Invermere expire 31 August 2030.<sup>11</sup> The licences for all of the other stations expire 31 August 2027.<sup>12</sup>
91. Under paragraph 9(1)(b) of the Act, the Commission has the authority to issue a licence and determine its term as deemed appropriate. To simplify the process for the buyer of the stations and for the Commission, the Commission considers that it would be appropriate to issue new broadcasting licences with the same expiry date, specifically, the date currently in place for CHOR-FM and CKGR-FM.
92. In light of the above, the Commission concludes that the new licence terms for the stations to be acquired will expire on 31 August 2030.

#### **Conclusion**

93. In light of all of the above, the Commission approves the application by Vista Radio Ltd. for authority to acquire from Bell Media Inc. the assets of the English-language

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<sup>9</sup> Condition of service 2 set out in the appendix to Broadcasting Decision 2021-12.

<sup>10</sup> See Broadcasting Decisions 2023-284 and 2023-230, respectively.

<sup>11</sup> For these two stations, see Broadcasting Decision 2023-167.

<sup>12</sup> For all of these stations, see Broadcasting Decision 2020-407.

commercial radio programming undertakings set out in Appendix 1 to this decision. The Commission will issue new broadcasting licences to Vista to continue the operation of the radio programming undertakings listed in Appendix 1.

94. Upon surrender of the licences currently held by Bell Media, the Commission will issue new broadcasting licences to Vista, which will expire on 31 August 2030. These licences will be subject to the terms and **conditions of service** set out in Appendix 2.
95. The Commission **directs** Vista Radio Ltd. to submit the final agreement(s) related to the transaction, including all annexes, schedules, and associated documentation, to the Commission within 30 days of the closing date of the transaction.

### **Conditions of service**

96. Given that the applicant proposed to operate the various stations in British Columbia under the same terms and conditions as those in effect under the current licences, the Commission makes the following orders consistent with the existing conditions of service as amended by this decision.
97. The Commission notes that it updated the standard conditions of service for commercial FM radio stations in Broadcasting Regulatory Policy 2022-334. As a result, the Commission considers it appropriate to require Vista to adhere to these updated standard conditions so that those for the various stations in British Columbia are consistent with the conditions of service for other FM stations.
98. Further, pursuant to subsection 49(2) of the *Online Streaming Act*, any regulation made under paragraphs 10(1)(a) or 10(1)(i) of the old *Broadcasting Act* is deemed to be an order made under section 9.1 of the new *Broadcasting Act*. As a result, the Commission considers it appropriate to require that the licensee adhere to these requirements as conditions of service.
99. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Vista Radio Ltd., by **condition of service**, to adhere to the standard conditions of service for commercial FM radio stations set out in the appendix to Broadcasting Regulatory Policy 2022-334, as well as to all applicable requirements set out in the Regulations, that were made under paragraphs 10(1)(a) or 10(1)(i) of the old Act.
100. Further, pursuant to subsection 11.1(2) of the Act, the Commission **orders** Vista Radio Ltd., by **condition of service**, to pay tangible benefits in the amount of \$388,602, to be paid in equal instalments over seven consecutive broadcast years and allocated in a manner consistent with the Tangible Benefits Policy and the Revised Commercial Radio Policy. In addition, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Vista Radio Ltd., by **condition of service**, to file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the Regulations.
101. The Commission notes that the formal broadcasting licence document issued to a licensee may set out additional requirements for the undertaking, relating to, for example,

technical parameters or prohibition on transfer. The licensee shall, therefore, also adhere to any such requirements set out in the broadcasting licences for the undertakings.

102. The terms as well as the specifics of these conditions of service are set out in Appendix 2 to this decision.
103. Finally, the Commission notes that this application, including the matters set out in the above orders, were subject to a public proceeding that provided both the applicant and other interested parties notice of and an opportunity to make representations with respect to the proposed orders. The Commission is satisfied that, in this case, the public proceeding was sufficient to achieve the purposes of the publication and consultation requirement set out in subsections 9.1(4) and 11.1(7) of the Act.

## **Reminders**

### **Force and effect of broadcasting licences**

104. Pursuant to section 22 of the Act, the broadcasting licences will cease to have any force or effect if the broadcasting certificates issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

### **Local news**

105. Radio stations are an important daily source of local news and information for communities. Carrying on a broadcasting undertaking comes with conditions, regulatory obligations and responsibilities, which include contributing to the Canadian broadcasting system by ensuring that Canadians have access to local programming that reflects their needs and interests and informs them of important current issues.
106. Although the Revised Commercial Radio Policy does not specify a minimum level of weekly news to be broadcast, it does specify the type of spoken word material that must be included as part of a station's local programming. In accordance with that regulatory policy, the Commission reminds the licensee that its stations, in their local programming, must incorporate spoken word material of direct and particular relevance to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. In addition, the Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

### **National Public Alerting System**

107. The Commission has implemented obligations in respect of the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444. The licensee must implement the public alerting system for each of its transmitters, and ensure that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages are installed and programmed to properly account for the applicable contour (as set out in

paragraph 16(2)(b) of the Regulations) of the stations as well as that of any rebroadcasting transmitter that may appear on the licences for those stations.

### **Employment equity**

108. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development (also known as Employment and Social Development Canada), its employment equity practices are not examined by the Commission.
109. The Commission notes that amendments to the *Broadcasting Act* resulting from the *Online Streaming Act* place greater emphasis on the inclusion of equity-deserving communities and individuals in the broadcasting system. As a result, the Commission may examine its diversity-related policies in the context of the consultations on inclusion and diversity announced in its [Regulatory plan to modernize Canada's broadcasting framework](#). In the meantime, although the licensee is subject to the *Employment Equity Act*, the Commission encourages the licensee to consider the amendments to the *Broadcasting Act* when making operational decisions.

Secretary General

### **Related documents**

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2024-172, 30 July 2024, as amended by *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2024-172-1, 19 September 2024
- *The Path Forward – Supporting Canadian and Indigenous content through base contributions*, Broadcasting Regulatory Policy CRTC 2024-121, 4 June 2024, as finalized by *The Path Forward – Supporting Canadian and Indigenous content through base contributions – Finalization of conditions of service*, Broadcasting Regulatory Policy CRTC 2024-121-1 and Broadcasting Order CRTC 2024-194, 29 August 2024
- *Various radio and specialty audio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2023-284, 24 August 2023
- *Various radio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2023-230, 28 July 2023
- *Various commercial radio stations in British Columbia and Quebec – Licence renewals*, Broadcasting Decision CRTC 2023-167, 1 June 2023
- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022
- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022

- *Various commercial radio stations – Licence renewals*, Broadcasting Decision CRTC 2021-12, 18 January 2021
- *Various commercial radio stations – Licence renewals*, Broadcasting Decision CRTC 2020-407, 22 December 2020
- *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- *Amendments to various regulations, the standard conditions of licence for video-on-demand undertakings and certain exemption orders - Provisions requiring the mandatory distribution of emergency alert messages*, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014
- *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013
- *New service objectives for the processing of broadcasting and telecommunications applications as of 1 April 2011*, Broadcasting and Telecom Information Bulletin CRTC 2011-222, 1 April 2011
- *Revised guidelines for the application of the Common Ownership Policy for Radio*, Broadcasting Information Bulletin CRTC 2010-341, 4 June 2010
- *A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings – Change in the manner of issuing related information bulletins*, Broadcasting Information Bulletin CRTC 2008-8-2, 6 December 2013

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

## **Appendix 1 to Broadcasting Decision CRTC 2025-44**

### **English-language commercial radio programming undertakings in British Columbia that are part of the transaction**

- CFTK Terrace
- CHOR-FM Summerland
- CHRX-FM Fort St. John and its transmitter CHRX-FM-1 Dawson Creek
- CHSU-FM Kelowna and its transmitter CHSU-FM-1 Big White Mountain
- CHTK-FM Prince Rupert
- CICF-FM Vernon and its transmitter CICF-4-FM Armstrong/Enderby
- CILK-FM Kelowna and its transmitter CILK-FM-1 Big White Mountain
- CJAT-FM Trail and its transmitters CJAT-FM-1 Castlegar, CJAT-FM-2 Grand Forks and CFKC Creston
- CJDC Dawson Creek and its transmitter CJDC-FM-1 Tumbler Ridge
- CJFW-FM Terrace and its transmitters CJFW-FM-1 Kitimat, CJFW-FM-2 Prince Rupert, CJFW-FM-3 Sandspit, CJFW-FM-4 Masset, CJFW-FM-5 Burns Lake, CJFW-FM-6 Smithers, CJFW-FM-7 Houston and CJFW-FM-8 Hazelton
- CJMG-FM Penticton and its transmitter CJMG-FM-2 Oliver
- CJOR Osoyoos and its transmitters CJOR-FM Oliver and CIOR Princeton
- CKCR-FM Revelstoke
- CKFR Kelowna
- CKGR-FM Golden and its transmitter CKIR Invermere
- CKKC-FM Nelson and its transmitters CKKC-1-FM Crawford Bay, CKBS-FM Nakusp, CKZX-FM New Denver and CKZK-FM-1 Kaslo
- CKNL-FM Fort St. John
- CKOR Penticton
- CKRX-FM Fort Nelson
- CKTK-FM Kitimat

- CKXR-FM Salmon Arm and its transmitters CKXR-FM-1 Sorrento, CKXR-FM-2 Enderby and CKXR-FM-3 Sicamous

## Appendix 2 to Broadcasting Decision CRTC 2025-44

### Terms, conditions of service, expectations and encouragement for the English-language commercial radio programming undertakings set out in Appendix 1 to this decision

#### Terms

The licence will expire 31 August 2030.

#### Conditions of service

1. The licensee shall adhere to the conditions set out in the appendix to *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022, as well as to the requirements set out in the broadcasting licence for the undertaking.
2. The licensee shall adhere to all applicable requirements set out in the *Radio Regulations, 1986*, that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.
3. In order to fulfill its commitment relating to tangible benefits, the licensee shall expend, in equal payments over seven consecutive broadcast years and by no later than **31 August** of each year, a total amount of \$388,602 allocated as set out in paragraphs 4 and 48 of *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014 and at paragraph 160 of revised *Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.

The licensee shall file all proof of payment and eligibility regarding these contributions each year and shall do so in a form deemed acceptable by the Commission pursuant to paragraph 9(2) of the *Radio Regulations, 1986*.

#### Expectations

##### Expectations applicable to all stations

##### *Cultural diversity*

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

##### *Canadian emerging artists*

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to devote, in each broadcast week, at least 5% of the station's musical selections to selections from Canadian emerging artists broadcast in their entirety. The licensee should report annually on how it has

met this expectation, including the percentage of selections from Canadian emerging artists out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the definition of “Canadian emerging artist” is the same as that set out in paragraph 346 of Broadcasting Regulatory Policy 2022-332.

### ***Indigenous musical selections***

Consistent with the Commission’s determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to include Indigenous musical selections on the station’s playlist. The licensee should report annually on the amount of Indigenous content aired on the station throughout the broadcast year (i.e., from 1 September to 31 August), including the percentage of Indigenous musical selections out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the licensee may use the provisional definition of “Indigenous-Canadian musical selection” set out in paragraph 441 of Broadcasting Regulatory Policy 2022-332 to determine whether a musical selection can be considered an Indigenous musical selection.

### **Expectation applicable to CHNV-FM Nelson, CKKC-FM Nelson and CJAT-FM Trail**

#### ***Advertising***

The Commission expects the licensee not to solicit or accept advertising outside of the station’s authorized licensed market.

#### **Encouragement**

#### **Employment equity**

Although the licensee is subject to the *Employment Equity Act*, the Commission encourages the licensee to consider employment equity in its hiring practices and in all other aspects of its management of human resources.