



Broadcasting Decision CRTC 2025-87

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Reference: 2024-231

Gatineau, 14 April 2025

Local Radio Lab Inc.
Bolton, Ontario

Public record: 2024-0313-7

*Public hearing in the National Capital Region
12 December 2024*

CJFB-FM Bolton – Change in ownership and effective control

Summary

The Commission approves an application by Local Radio Lab Inc. (LRL) for authority to change the ownership and effective control of the English-language commercial radio programming undertaking operating the radio station CJFB-FM Bolton, Ontario. Through this transaction, LRL will acquire from Vista Radio Ltd. the assets necessary to operate CJFB-FM.

The Commission also approves the applicant's request for a new broadcasting licence to continue the operation of CJFB-FM.

The Commission finds that approving this transaction is in the public interest, as it will help ensure the station continues to serve the community of Bolton. The station will be operated by another licensee who is committed to providing local programming to the community.

Application

1. On 6 June 2024, the Commission received an application from Local Radio Lab Inc. (LRL), on behalf of Vista Radio Ltd. (Vista), for authority to change the ownership and effective control of the English-language commercial radio programming undertaking CJFB-FM Bolton, Ontario. Through this transaction, LRL will acquire from Vista the assets necessary to operate the undertaking.
2. LRL also requested a new broadcasting licence to continue the operation of the undertaking under the same terms and conditions as those in effect under the current licence.
3. LRL is a Canadian corporation incorporated in Ontario with effective control held by Christopher Grossman.

4. LRL proposed a value of the transaction for the assets of \$238,780, which includes the purchase price and the total value of the leases payable over five years. There are no liabilities being assumed or working capital being transferred at closing. LRL also proposed a tangible benefits package of \$14,326, which represents 6% of the proposed value of the transaction.
5. The Commission did not receive any interventions in regard to this application.

Legal framework

6. 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, a radio station) is a regulatory privilege granted by the Commission. A licensee does not have the authority to transfer a licence to a new operator without regulatory approval.
7. 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).
8. 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 each 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.
9. 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 indicate 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 have had an opportunity to present their views and that the written record is sufficient and no further discussion is necessary.

Issues

10. 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 for Canadian ownership and control;
 - whether the proposed transaction would be consistent with the Commission's common ownership policy for radio;

- whether the proposed transaction would be 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

11. 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 to the CRTC (Ineligibility of Non-Canadians)*¹ (the Direction), no broadcasting licence can be issued to a non-Canadian.
12. LRL is a Canadian corporation incorporated in Ontario with effective control held by Christopher Grossman, a Canadian. As such, the proposed transaction satisfies the eligibility requirements set out in the Direction.

Common ownership policy for radio

13. The Revised Commercial Radio Policy² has modified the Common Ownership Policy for radio. It stipulates that for markets with eight or more commercial radio stations operating in a given language, a person may be permitted to own or control as many as four stations, with a maximum of three stations within one frequency band (FM or AM) in that language.
14. According to the Regulations, the “market” in the case of an FM station is defined by the primary 3 mV/m contour or the central area as defined by Numeris (formerly the Bureau of Broadcast Measurement), whichever is smaller. CJFB-FM, which serves part of the Toronto central area, has a primary contour that is smaller than the Toronto central area. Therefore, its market is defined by its primary contour.
15. LRL currently owns and controls four English-language radio stations that also serve part of the Toronto central area: CIMA-FM Alliston, CJML-FM Milton, CKMO-FM Orangeville, and CIND-FM Toronto. These stations’ primary contours are also smaller than the Toronto central area. Therefore, their markets are also defined by their primary contours.
16. Although all five stations, including CJFB-FM Bolton, serve part of the Toronto central area, none of the stations’ markets overlap. Accordingly, the Commission finds that each of the five stations serves a separate market and that approval of LRL’s application would respect the Commission’s Common Ownership Policy.

¹ SOR/97-192, 8 April 1997.

² Broadcasting Regulatory Policy 2022-332.

17. **Public interest of the proposed transaction** 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 the policy objectives of the Act. Section 3 of the 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 broadcasting system provides should be drawn from local and regional sources and should ensure that a diversity of news voices is offered to the public.
18. In its application, LRL stated that Vista is selling CJFB-FM because it operates as a standalone station with no opportunity for integration into Vista's regional group. CJFB-FM is near LRL's stations in Orangeville and Milton, which the applicant stated would allow it to leverage shared resources and expertise.
19. The applicant noted that its owner, Christopher Grossman, has over 40 years' experience in the broadcasting industry and current expertise operating in markets of various sizes in Ontario. His experience, combined with his interest in new digital technologies to support radio's transition into the digital space, could help contribute to the long-term viability of CJFB-FM.
20. LRL also stated that it is committed to retaining all current employees of CJFB-FM and to providing them with access to better resources and technology in order to deliver quality local programming. It would also improve local news content for the community of Bolton by hiring a dedicated news person.
21. The Commission notes that this acquisition would preserve an independent broadcaster in Bolton, maintain the diversity of voices in the community, enhance local content, expand digital advertising offerings, and improve CJFB-FM's long-term viability.
22. In light of the above, the Commission finds that approving this transaction is in the public interest.

Value of the transaction and tangible benefits

23. The Commission ensures that the public interest is served by requiring the purchasing company to 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." The Commission's policy on tangible benefits is set out in the Tangible Benefits Policy.³ 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

³ Broadcasting Regulatory Policy 2014-459.

benefits when they seek the Commission's approval to change the effective control of radio and television programming services.

24. The amount of tangible benefits payable depends on the value of the transaction. In the case of radio stations, tangible benefits usually amount to 6% of the value of the transaction. When determining tangible benefits, the Commission looks at the value of the transaction, including the value of the gross debt, working capital to be transferred at closing, ancillary agreements, any leases assumed by the purchaser for real property (buildings, studios, and offices), and transmission facilities. The value of the leases is calculated over a five-year period. These elements, if relevant, are added to the purchase price.
25. LRL proposed a value of the transaction of \$238,780. This amount includes the purchase price (\$100,000) and the total value of the leases payable over five years (\$138,780). No working capital would be transferred at closing, and LRL confirmed that it would not assume any debt or liabilities.
26. Further, LRL proposed a tangible benefit package of \$14,326, which represents the minimum 6% of the proposed value of the transaction.
27. The Commission notes that the value of the transaction proposed by the applicant is consistent with the Commission's general approach. In light of the above, the Commission determines that the value of the transaction is \$238,780, itemized as follows:

Purchase Price	\$100,000
Debt	\$0
Assumed leases over five years	\$138,780
Working capital	\$0
Value of the transaction	\$238,780

Allocation of tangible benefits

28. As per the Revised Commercial Radio Policy, tangible benefits are to be paid over seven consecutive broadcasting years and allocated as follows:
 - 3% to the Canadian Starmaker Fund and Fonds RadioStar;
 - 60% to 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 Community Radio Fund of Canada (CRFC).
29. LRL proposed to allocate the contributions as per the Tangible Benefits Policy, including the revised allocation in the Revised Commercial Radio Policy.
30. LRL also stated that it would direct the discretionary 1% to a qualifying initiative benefiting the local community.
31. In light of the above, the Commission finds that the proposed tangible benefits package is consistent with the Tangible Benefits Policy and Revised Commercial Radio Policy.
32. The modernized Act now includes express provisions relating to the imposition of expenditure requirements. As a result, tangible benefits must be imposed by an order made pursuant to subsection 11.1(2) of the Act.
33. Accordingly, the Commission considers it appropriate to order LRL to allocate \$14,326 in tangible benefits, to be paid in equal instalments over seven consecutive broadcast years, consistent with the Tangible Benefits Policy and Revised Commercial Radio Policy.
34. Further, the Commission considers it appropriate to order LRL to report, as part of its Annual Return required under section 9(2) of the Regulations, on its progress in making these payments.

Regulatory requirements

Licence term

35. When approving ownership transactions, the Commission's general practice is to maintain the term of the licence in effect. However, the current licence term for CJFB-FM will expire on 31 August 2026, which would require LRL to file an application for the renewal of its licence by August 2025—only a few months after assuming operation of the station.
36. Under paragraph 9(1)(b) of the Act, the Commission has the authority to issue a licence and determine its term. Given that the Commission identified no instances of regulatory non-compliance by the station, and that, historically, LRL's other stations have been in compliance with their regulatory requirements, the Commission considers that it would be appropriate to grant the applicant a seven-year licence term. This term would allow LRL to operate the station for a longer period of time before having to file a licence renewal application.
37. In light of the above, the Commission finds it appropriate to issue CJFB-FM a new broadcasting licence, expiring on 31 August 2031.

Conclusion

38. In light of all of the above, the Commission approves the application by Local Radio Lab Inc. for authority to change the ownership and effective control of the English-language commercial radio programming undertaking CJFB-FM Bolton, Ontario, by acquiring from Vista Radio Ltd. the assets necessary to operate CJFB-FM.
39. Upon surrender of the licence currently held by Vista, the Commission will issue a new broadcasting licence to LRL to continue the operation of CJFB-FM. This licence will expire on 31 August 2031 and will be subject to the **conditions of service** set out in the appendix to this decision.
40. The Commission **directs** Local Radio Lab Inc. to submit the final agreements 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

41. Given that LRL proposed to operate CJFB-FM under the same terms and conditions as those in effect under the current licence, the Commission makes the following orders consistent with the existing conditions of service.
42. 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 LRL to adhere to these updated standard conditions so that CJFB-FM's conditions are consistent with those of other FM stations.
43. 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 new licensee adhere to these requirements as conditions of service as well.
44. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Local Radio Lab Inc., 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, and 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.
45. Further, pursuant to subsection 11.1(2) of the Act, the Commission **orders** Local Radio Lab Inc., by **condition of service**, to pay tangible benefits in the amount of \$14,326, 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** Local Radio Lab Inc., 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.

46. 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 licence for the undertaking.
47. The terms of these conditions of service are set out in the appendix to this decision.
48. Finally, the Commission notes that this application, including the proposed conditions of service, was 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 conditions of service. The Commission is satisfied that 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

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

Local news

50. 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.
51. 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 station, in its local programming, is to incorporate spoken word material of direct and particular relevance to the communities served, and that this programming is to 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

52. The Commission has implemented obligations with respect to 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 station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.

Employment equity

53. In accordance with Public Notice 1992-59, the licensee should consider employment equity in its hiring practices and in all other aspects of its management of human resources.
54. Furthermore, the Commission notes that modernization of the Act has resulted in a greater emphasis on the inclusion of equity-deserving communities and individuals in the broadcasting system. As a result, the Commission may examine the employment equity policy in the context of the consultations on diversity and inclusion announced in its [Regulatory plan to modernize Canada's broadcasting framework](#). The Commission encourages the licensee to consider the modernization of the Act in furthering its employment equity practices.

Secretary General

Related documents

- *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
- *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
- *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
- *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

- *Regulatory Policy – Diversity of Voices*, Broadcasting Public Notice CRTC 2008-4, 15 January 2008
- *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2025-87

Terms, conditions of service, expectations, and encouragement for the English-language commercial radio programming undertaking CJFB-FM Bolton, Ontario

Term

The licence will expire 31 August 2031.

Conditions of service

1. The licensee shall adhere to the conditions of service 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 \$14,326 allocated as set out in paragraphs 4 and 48 in *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 in *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 in a form deemed acceptable by the Commission consistent with subsection 9(2) of the *Radio Regulations, 1986*.

Expectations

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.

Encouragement

In accordance with *Implementation of an employment equity policy* (Public Notice CRTC 1992-59), the licensee should consider employment equity in its hiring practices and in all other aspects of its management of human resources.