



Broadcasting Decision CRTC 2005-488

Ottawa, 13 October 2005

The Haliburton Broadcasting Group Inc.
Haliburton, Ontario

Application 2004-1034-0
Public Hearing at Niagara Falls, Ontario
6 June 2005

English-language FM radio station in Haliburton

*The Commission **approves** an application for a broadcasting licence to operate an English-language commercial FM radio station in Haliburton, Ontario.*

The application

1. The Commission received an application by The Haliburton Broadcasting Group Inc. (Haliburton Broadcasting) for a broadcasting licence to operate a new English-language commercial FM radio programming undertaking in Haliburton, Ontario. The station would operate at 93.5 MHz (channel 228B1) with an effective radiated power (ERP) of 6,000 watts.
2. The applicant proposed to offer an Adult Contemporary Rock music format. Haliburton Broadcasting indicated that it would provide a minimum of 45 hours of local programming on weekdays as well as local programming each Saturday and Sunday. Programming would include cottage information updates, local community vignettes, public service announcements and community highlights as well as a daily 30-minute news and information program about Haliburton and the nearby community of Minden called *Haliburton Minden Today*. The applicant stated that the proposed station would also benefit from cottage country programming from its sister stations CHMS-FM Bancroft and CFBG-FM Bracebridge as well as from CKLP-FM Parry Sound and CKNR-FM Elliot Lake and Manitoulin Island.
3. The applicant stated that it would not participate in the Canadian Talent Development (CTD) plan developed by the Canadian Association of Broadcasters (CAB). Instead, Haliburton Broadcasting indicated that it would showcase Haliburton/Minden musical talent at Canadian Music Week in Toronto. It proposed to contribute \$5,000 per year in eligible direct cost expenditures to CTD and agreed to accept a condition of licence requiring adherence to this commitment.

Interventions

4. The Commission received several interventions in support of this application. It also received numerous interventions in opposition from individuals and various businesses and groups. They expressed concern that the business base in Haliburton County is too small to support both the not-for-profit community station CKHA-FM Haliburton and the proposed new commercial FM station. Concern was also raised that the new station would not provide significant added programming diversity.
5. An opposing intervention was also received from Muskoka-Parry Sound Broadcasting Limited, the licensee of CFBK-FM Huntsville/Muskoka (Parry Sound). Parry Sound noted that Haliburton Broadcasting already operates radio stations in the region and submitted that, if Haliburton Broadcasting's application were approved, the new station would also come into Huntsville "loud and clear." Parry Sound was of the view that Haliburton could not support another radio station.
6. Haliburton County Community Radio Association (HCCRA), the licensee of the CKHA-FM, known as Canoe FM, also opposed the application. HCCRA submitted that Haliburton Broadcasting's proposed FM station would have a negative financial impact on CKHA-FM. HCCRA also stated that CKHA-FM already provides significant and diverse local programming to Haliburton and the immediate surrounding community.
7. The Commission also received interventions offering general comments, one of which was from the Canadian Independent Record Production Association (CIRPA). CIRPA indicated that it supports diversity of ownership in a given market and independent ownership. CIRPA reiterated its ongoing support for diversity of musical formats and diversity in playlists, because, while musical formats are given various names, the selections being played are often largely the same. CIRPA also expressed support for applicants that propose to direct CTD funds to the Foundation to Assist Canadian Talent on Records (FACTOR) because CIRPA considers that such funding assists Canadian creators and entrepreneurs in developing new artists and in marketing existing ones.

Applicant's reply

8. In its reply to the opposing interventions, the applicant indicated that it has strong community support for its proposal, and that it would add a new and distinct commercial radio voice for both local news and community surveillance. In response to concerns raised by Parry Sound, Haliburton Broadcasting stated that while it operates stations in Bracebridge and Bancroft, which are near Haliburton, both stations have very limited reach in Haliburton and offer musical formats that are very different from the Adult Contemporary Rock format proposed for the new station. Haliburton Broadcasting also submitted that the signal of the proposed station would not reach Huntsville, which is 98 kilometres from Haliburton.

9. Haliburton Broadcasting made two points regarding HCCRA's concern about the impact that Haliburton Broadcasting's proposed FM station would have upon CKHA-FM. First, Haliburton Broadcasting stated that the entry of its proposed station into the Haliburton radio market would cause the amount of radio advertising revenue generated in the market to increase. Second, Haliburton Broadcasting noted that, given that its proposed FM station would target listeners under 49 years of age while CKHA-FM appeals to listeners over 55 with its adult standards format, Haliburton Broadcasting's proposed station would attract different advertisers than those attracted by CKHA-FM.

Commission's analysis and determination

10. The Commission has carefully considered the application, the views expressed in the interventions as well as the applicant's reply.
11. The Commission considers that a new commercial radio station offering an Adult Contemporary Rock music format with a focus on local news and community reflection would increase the diversity of programming available and would provide a first local commercial radio service to Haliburton. The Commission further considers that the difference in formats between the community station CKHA-FM and the new station proposed by Haliburton Broadcasting would minimize potential overlap in the advertisers on the two stations.
12. Although the impact of Haliburton Broadcasting's proposed station would be greatest in the immediate Haliburton area, the Commission considers that tuning to the proposed station would be distributed across all of the stations tuned in the market, only 2% of which is to CKHA-FM. Taking into account the size of the Haliburton market, the relatively high level of out-of-market tuning in this market and the factors identified in Haliburton Broadcasting's response to CKHA-FM's opposing intervention, the Commission is satisfied that Haliburton is large enough to support the entry of Haliburton Broadcasting's proposed FM station without causing significant financial harm to CKHA-FM. The Commission further notes that the 3 mV/m contour of the proposed station will not reach Huntsville, thereby decreasing the potential impact on Parry Sound's station CFBK-FM.
13. With regard to CIRPA's comments relating to CTD, the Commission is satisfied that the CTD initiative proposed by the applicant meets the eligibility criteria set out in *Contributions by radio stations to Canadian talent development – A new approach*, Public Notice CRTC 1995-196, 17 November 1995.
14. Based on all the foregoing, the Commission **approves** the application by The Haliburton Broadcasting Group Inc. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Haliburton at 93.5 MHz (channel 228B1) with an average ERP of 6,000 watts.

15. The licence will expire 31 August 2012 and will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, with the exception of condition of licence 5. The licence will also be subject to the following **condition** with respect to CTD:

Upon commencement of operation, the licensee shall make direct expenditures of at least \$5,000 in each broadcast year on the development of Canadian talent.

16. The Commission reminds the applicant that all CTD expenditures must be made in accordance with the Commission's policy on qualifying contributions to CTD, as set out in Appendix 1 to *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.
17. The Commission notes that the new FM station will operate in "a single station market," as defined in *Local programming policy for FM radio – Definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993. As the only commercial FM radio station licensed to serve Haliburton, the new FM station will be exempt from the requirement that, in order to solicit or accept local advertising, one-third of its programming must be local.

Issuance of the licence

18. The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.
19. The Commission reminds the licensee that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.
20. Furthermore, the licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 13 October 2007. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Employment equity

21. Because the licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Human Resources and Skills Development, its employment equity practices are not examined by the Commission.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>