



Broadcasting Decision CRTC 2006-117

Ottawa, 4 April 2006

Canadian Hellenic Toronto Radio Inc.
Toronto, Ontario

*Application 2004-1422-7
Public Hearing in the National Capital Region
16 January 2006*

Ethnic AM radio station in Toronto

*The Commission **approves** an application by Canadian Hellenic Toronto Radio Inc. for a new commercial ethnic AM radio station in Toronto. The new station will direct its programming primarily to the Toronto area's Greek-speaking community and will also provide ethnic programming in Armenian, Romanian, Serbian and Bulgarian, as well as in English.*

Introduction

1. The Commission received an application by Canadian Hellenic Toronto Radio Inc. (Canadian Hellenic) for a broadcasting licence to operate a commercial ethnic AM radio programming undertaking in Toronto. The station would operate at 1690 kHz with a transmitter power of 1000 watts, day and night.
2. The Commission considered Canadian Hellenic's application, as well as two other applications for new radio licences in the Toronto market, at a public hearing held in the National Capital Region on 16 January 2006.

The applicant

3. Canadian Hellenic is controlled by its sole shareholder, Mrs. Vassiliki Maniatakos.
4. Since 1966, Canadian Hellenic has provided a closed circuit specialty audio programming service to the Greek-speaking community in the Toronto area. The service is currently distributed by cable and financed solely by advertising.

Overview of the application

5. Canadian Hellenic stated that all of the programming broadcast by the proposed AM station would be ethnic programming, and that 88% of the programming would be in third languages, that is, languages other than English, French or a language of the Aboriginal peoples of Canada. The applicant proposed to serve a minimum of five cultural groups in a minimum of six languages during each broadcast week.

6. The primary focus of the new station would be to provide an over-the-air radio service to the Greek-speaking community in the eastern portion of the Toronto area, including Markham, with 70% of its programming in Greek. Canadian Hellenic pointed out that it has been serving the Greek community since 1966 through its closed circuit specialty audio programming service distributed by cable. The applicant stated that members of the Greek community are accustomed to receiving Canadian Hellenic's service and that approval of this proposal for an AM station would ensure that its service could be received, for the first time, in cars and in non-cabled areas, such as industrial districts and businesses.
7. Canadian Hellenic would also broadcast programming targeted to the Armenian, Romanian, Bulgarian, and Serbian communities in the mother tongue of each of these cultural groups, as well as cross-cultural programming in English targeted to the younger members of each of these communities, which currently have little presence on Toronto radio. Canadian Hellenic proposed to air 6.5 hours per week of programming directed to each of the Bulgarian, Serbian, and Romanian communities, and 3.75 hours would be devoted to serving the Armenian community.
8. Canadian Hellenic stated that a minimum of 120 of the 126 hours of the broadcast week would be devoted to local programming produced by the applicant using members of the cultural groups to be served. Spoken word programming would make up about 45% of the schedule. In addition to spoken word programs that would appeal to its general audience, such as a daily newsmagazine program, the station would offer an educational program for children and programming of specific interest to women. Greek-language newscasts would be offered at midday seven days a week.
9. Canadian Hellenic proposed to devote approximately 55% of the programming aired in each broadcast week to music. At least 80% of all musical selections would be drawn from content subcategory 33 (world beat and international music).
10. The applicant indicated that it would establish a programming advisory board consisting of community leaders to provide advice about programming and how to serve each of the target groups.
11. With respect to Canadian talent development (CTD), Canadian Hellenic indicated that it would contribute \$3,000 per year during the first licence term to the Canadian Association of Ethnic Broadcasters to support the establishment of a catalogue of Canadian ethnic recordings. Canadian Hellenic also proposed to underwrite the recording and promotion of CDs by new Canadian ethnic artists, and to contribute \$5,500 each year for the first three years of the licence term and \$6,000 annually in years four to seven to this end.

Interventions

12. The Commission received interventions in support of Canadian Hellenic's application from individuals and businesses related to the Greek community, the principal ethnic group that the proposed station would serve. The interveners generally considered that the programming proposed by Canadian Hellenic would be of interest and benefit to this cultural community.
13. An intervention filed by Harkanwal Thind opposed the application and concurrent applications for Toronto submitted by A. Fitzroy Gordon, on behalf of a corporation to be incorporated, and Rainbow Media Group Inc., noting that the Commission was dealing with these applications without making a call for other applications to serve communities that are in greater need of radio service.
14. A joint intervention opposing all of the applications for new Toronto radio stations was filed by Toronto broadcasters CHUM Limited, licensee of CHUM and CHUM-FM, and Rogers Broadcasting Limited, licensee of CFTR, CJCL, CHFI-FM, and CJAQ-FM (CHUM/Rogers). CHUM/Rogers submitted that none of these applications are consistent with the exceptions set out in *The Issuance of Calls for Radio Applications*, Public Notice CRTC 1999-111, 8 July 1999 (Public Notice 1999-111), where the Commission stated that applications for new radio licences would generally result in a call for other applications. In CHUM/Rogers' view, the importance of respecting the guidelines set out in Public Notice 1999-111, thereby ensuring that the best possible proposals are considered, is magnified by the scarcity of vacant commercial radio frequencies in the Toronto market.
15. CHUM/Rogers recommended that, in the event that no call for applications was made, conditions of licence should be imposed to ensure that any new station would provide diversity through the provision of a niche service, rather than one directed to a mainstream audience.

Canadian Hellenic's reply

16. In its reply to the CHUM/Rogers intervention, Canadian Hellenic argued that the Commission has the discretion to issue or not to issue a call for applications, and expressed the view that further delaying the licensing of its service would not be in the interest of the Toronto Greek community.
17. The applicant did not respond to the intervention filed by Harkanwal Thind.

Commission's analysis and determination

18. With respect to the Commission's decision not to issue a call for other applications, the Commission has considered the interventions as well as the applicant's reply and determined that it was appropriate not to issue such a call in this case. In Public Notice 1999-111, the Commission listed a number of exceptions to its general policy of issuing calls for competing radio applications. One exception was for "low power and other

proposals with very little commercial potential.” The Commission notes that the applicant has projected total first-year revenues of \$300,000, rising to \$500,000 by the sixth year of operation. The latter figure would amount to about 0.2% of the total revenues taken in by the existing 25 Toronto commercial radio broadcasters during the 2005 broadcast year. Given the specialized nature of the proposed ethnic service and its limited commercial potential, as compared with other Toronto stations, the Commission considers that the Canadian Hellenic application qualifies for the above-noted exception set out by the Commission in Public Notice 1999-111.

19. The Commission has considered the merits of Canadian Hellenic’s application in light of the provisions of the *Ethnic broadcasting policy*, Public Notice CRTC 1999-117, 16 July 1999 (the Ethnic Policy). The Ethnic Policy includes a number of key provisions, of which several have been incorporated into the *Radio Regulations, 1986* (the Radio Regulations) as minimum standards that must be met.
20. The Commission is of the view that the new AM station proposed by Canadian Hellenic will provide a high quality over-the-air radio service to cultural groups that are not currently well served, and that the service proposed by Canadian Hellenic is consistent with the objectives of the Ethnic Policy. It also notes that none of the existing ethnic radio licensees in the Toronto area has intervened in this process.
21. In light of these considerations, the Commission **approves** the application by Canadian Hellenic Toronto Radio Inc. for a commercial ethnic AM radio programming undertaking to serve Toronto. The new station will operate at 1690 kHz with a transmitter power of 1000 watts, day and night. The licence will expire on 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 number 5. The licence will also be subject to the **conditions** set out below and in the appendix to this decision.

Levels of ethnic and third-language programming

22. Section 7(1) of the Radio Regulations stipulates that an ethnic radio station shall devote not less than 60% of its broadcast week to ethnic programs. Section 7(2) of the Radio Regulations requires that at least 50% of an ethnic radio station’s broadcast week be devoted to third-language programs, that is, programs in a language other than English, French or a language of the Aboriginal peoples of Canada.
23. The Commission notes Canadian Hellenic’s proposal to devote all of its programming during each broadcast week to ethnic programs. The Commission also notes Canadian Hellenic’s commitment to devote a minimum of 88% of the programming during each broadcast week to third-language programs and that this commitment exceeds the minimum requirements under the Radio Regulations. The Commission imposes this commitment as a **condition of licence**, as set out in the appendix to this decision.

Broad service requirement

24. Under the Ethnic Policy, ethnic stations are expected to serve a range of cultural groups in a variety of languages since the scarcity of available frequencies may not permit the licensing of an over-the-air single-language service for each ethnic group in a given market. This approach also allows for the provision of service to groups that would not otherwise be able to afford their own single-language service.
25. When dealing with applications for ethnic services, the Commission decides on the minimum number of distinct groups that a station must serve on the basis of the demographics of the community, the services already available, and the degree of support shown by local community organizations. The Commission also assesses the ability of ethnic stations to provide appropriate amounts of quality programming to ethnic groups, and the availability of ethnic programming from all stations serving a market.
26. According to the Commission's *Broadcast Policy Monitoring Report* for 2004, a total of 16 hours of Greek-language programming per week was provided by 3 ethnic radio licensees in Toronto. One hour of Bulgarian- and Serbian- and two hours of Romanian-language programming was also broadcast on local over-the-air ethnic stations.
27. Given the applicant's experience over the past 40 years, the Commission is satisfied that the applicant will be able to provide high quality programming. The Commission considers that approval of Canadian Hellenic's proposal would ensure the availability of more over-the-air Greek-language radio programming in Toronto, and would also provide programming to cultural groups which receive minimal radio service.
28. The Commission considers it appropriate to impose, as a **condition of licence**, the applicant's commitments to offer, on a weekly basis, programming directed to a minimum of five cultural groups in a minimum of six languages. This condition is set out in the appendix to this decision.

Local reflection

29. The Ethnic Policy states that a primary responsibility of over-the-air ethnic radio stations should be to serve their local community. Accordingly, ethnic broadcasters should provide plans on how they will reflect local issues and concerns.
30. The Commission expects Canadian Hellenic to adhere to its commitment to ensure that a minimum 120 of the 126 hours of the broadcast week are devoted to local programming produced by the applicant using members of the cultural groups to be served.
31. The Commission also expects the applicant to adhere to its comment to establish a programming advisory board, as described in the application.

Canadian talent development

32. The Commission finds that the amounts proposed by Canadian Hellenic for CTD appropriately reflect the scale of Canadian Hellenic's ethnic radio proposal, specifically its very modest revenue projections and the limited coverage of the station, compared to the coverage areas of most other Toronto broadcasters. The Commission imposes these commitments as **conditions of licence**, as set out in the appendix to this decision. The Commission reminds the applicant that all direct cost expenditures related to CTD must comply with the criteria set out in *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.

Issuance of the licence

33. The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.
34. 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 4 April 2008. 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

35. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the applicant to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

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>

Appendix to Broadcasting Decision CRTC 2006-117

Conditions of licence

1. The licence shall 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 number 5.
2. The licensee shall devote a minimum of 88% of the programming broadcast during each broadcast week to third-language programs, as defined in the *Radio Regulations, 1986*, as amended from time to time.
3. The licensee shall broadcast, in each broadcast week, programming directed to a minimum of five cultural groups in a minimum of six languages.
4. The licensee shall contribute a minimum of \$3,000 in each broadcast year of the licence term to the Canadian Association of Ethnic Broadcasters to fund the development of a catalogue of Canadian ethnic recordings.
5. The licensee shall devote a minimum of \$5,500 each year for the first three years of the licence term, and at least \$6,000 annually in years four to seven of the licence term, to the recording and promotion of CDs by new Canadian ethnic artists.