



Broadcasting Decision CRTC 2006-507

Ottawa, 13 September 2006

Bayshore Broadcasting Corporation

Wasaga Beach, Ontario

Application 2005-1546-3

Public Hearing in Edmonton, Alberta

19 June 2006

English-language FM radio station in Wasaga Beach

*The Commission **approves** the application by Bayshore Broadcasting Corporation for a broadcasting licence to operate an English-language commercial FM radio station in Wasaga Beach, Ontario.*

The application

1. The Commission received an application by Bayshore Broadcasting Corporation (Bayshore) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Wasaga Beach, Ontario. The proposed station would operate at 97.7 MHz (channel 249A) with an average effective radiated power (ERP) of 200 watts.
2. Bayshore proposed to serve listeners aged 35 to 64 with a classic adult contemporary musical format that would feature a variety of pop, soft rock and oldies musical selections with a focus on songs from the 1960s to the 1980s. Programming would also include a number of thematic programs showcasing a variety of musical genres including show-tunes, jazz, blues, big band, oldies and classical. Bayshore proposed to devote a minimum of 40% of its category 2 musical selections to Canadian selections both between 6:00 a.m. and 6:00 p.m. from Monday to Friday as well as over the course of the entire broadcast week, by way of condition of licence.
3. The applicant proposed to devote approximately 12.5 hours to news per broadcast week with an average of 75% of news devoted to coverage of local issues. Bayshore would offer 18 live newscasts and 5 news updates each weekday and a further 13 live newscasts and 5 news updates on Saturdays and Sundays. In addition to regular newscasts and updates, Bayshore proposed to offer two public affairs programs on Saturdays (“Saturday Morning Live”) and Sundays (“Sunday Review”), which would focus on special events coverage, extended interviews, a reprise of events that occurred over the course of the week and follow-up interviews.

4. Bayshore also proposed to provide numerous thematic spoken word and music-based programs. Spoken word programming would focus on community events, entertainment and sports, health, editorials, culture and history.
5. The applicant indicated that it would participate in the Canadian talent development (CTD) plan established by the Canadian Association of Broadcasters (CAB). Under this plan, a radio licensee serving a market the size of Wasaga Beach is required to contribute a minimum of \$400 in each broadcast year to eligible third parties for the development of Canadian talent. Bayshore indicated that it would satisfy this obligation by contributing to the Foundation to Assist Canadian Talent on Records (FACTOR). In addition, Bayshore proposed to contribute \$3,000 per year to the Jazz in the Park Concert Series held each summer in Wasaga Beach and to establish an annual discretionary fund totalling \$2,600 to be used to further the development of local Canadian talent within the principal marketing area of the proposed station. Bayshore indicated that the fund would be used to provide assistance to various initiatives, local groups and individuals. However, should the funds not be allocated locally in a given fiscal year, the amount will be assigned to FACTOR. As a result of these initiatives, Bayshore would contribute a total of \$6,000 per year to CTD, for a total of \$42,000 over seven consecutive broadcast years upon commencement of operations.

Interventions

6. The Commission received several interventions in support of this application.
7. The Canadian Independent Record Production Association (CIRPA) did not oppose the application but raised concerns about Bayshore's CTD commitments. The *Wasaga Sun* also did not oppose the application but filed an intervention which noted inconsistencies in Bayshore's application with respect to the local media available in the Wasaga Beach area.
8. An intervention in opposition to the application was filed by Trust Communications Ministries (Trust), licensee of Life 100.3 (CJLF-FM), a Christian music station in Barrie. Another opposing intervention was filed jointly by Rock 95 Broadcasting (Barrie-Orillia) Ltd. (licensee of CFJB-FM Barrie and CKMB-FM Barrie), Larche Communications Inc. (licensee of CICZ-FM Midland) and Corus Entertainment Inc. (licensee, through its wholly-owned subsidiaries, of CKCB-FM Collingwood, CIQB-FM Barrie and CHAY-FM Barrie (collectively "Rock et al.")).
9. Trust submitted its concerns about the proposed station's format, power, and revenues. Trust stated that nothing prevents the applicant from offering specialty Christian music programming, which would undoubtedly erode Life 100.3's audience. Trust anticipated that the applicant would inevitably submit an application for a power increase if the proposed 200 watt station were approved, thus changing the focus of the station. Trust also stated that is not convinced that the applicant would refrain from soliciting advertising from the Barrie market.

10. Rock et al. stated the community of Wasaga Beach cannot support a dedicated local radio service, that the limited market potential of the proposed service would inevitably require the applicant to seek a power increase, that the Wasaga Beach area is not underserved, and that the proposed radio service would clearly rely on revenues from outside the principal marketing area. Rock et al. submitted that the proposed changes by the applicant from its previous application that was denied in *English-language FM radio station in Wasaga Beach*, Broadcasting Decision CRTC 2005-487, 13 October 2005, are not significant enough to mitigate its concerns.

Applicant's replies

11. In its reply to CIRPA, Bayshore stated that it is not of the view that all CTD expenditures should necessarily be directed to FACTOR. Further, the applicant noted that its proposed \$400 per year contribution to FACTOR is commensurate with the CRTC requirements regarding CTD contributions. In reply to the intervention filed by the *Wasaga Sun*, Bayshore acknowledged its unintentional omission from its application of the *Wasaga Sun*, which provides a weekly newspaper to the residents of Wasaga Beach, as a local media source.
12. In reply to the Trust intervention, Bayshore highlighted the uniquely local programming that its proposed station would offer. Further, Bayshore noted that there is no basis in the application to support Trust's assertion that the proposed service would duplicate Trust's Christian music format.
13. In reply to Rock et al., Bayshore pointed to the numerous letters of support for its application to provide a local service to the Wasaga Beach area. The applicant highlighted economic studies and forecasts that suggest the Wasaga Beach area is a self-sustaining market with continued positive economic growth indicators. Bayshore further stated that its audience research indicates that the listeners in Wasaga Beach are not satisfied with the listening options available in the market and noted that local businesses appear to welcome a local radio advertising option. In addition, Bayshore reiterated its position that the primary objective of the proposed service is to provide local radio service to Wasaga Beach.

Commission's analysis and determinations

14. The Commission has carefully considered and assessed the submissions of all parties.
15. The Commission is satisfied that the application by Bayshore will permit the establishment of a first local radio service in Wasaga Beach while addressing the concerns raised by the local operators in the neighbouring markets. The evidence provided by the applicant regarding the economic strength of the Wasaga Beach community, the market research conducted to support the proposed service, and the support from local residents and the business community provides the Commission with confidence that the Wasaga Beach area can support a dedicated local service while not having an undue negative impact on the financial operations of radio stations in neighbouring markets.

16. With respect to the concerns raised by interveners concerning a future request by the applicant for a technical amendment to increase power, the Commission notes that such an application, if received, would be assessed on its own merit at that time and would be the subject of a public process.
17. In light of the above, the Commission **approves** the application by Bayshore Broadcasting Corporation for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Wasaga Beach. The station will operate at 97.7 MHz (channel 249A) with an average ERP of 200 watts.
18. The licence will expire 31 August 2013 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. The licence will also be subject to the **conditions** relating to the broadcast of Canadian musical selections and CTD set out in the appendix to this decision.

Issuance of licence

19. 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.
20. The Commission reminds the applicant 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.
21. 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 September 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

Employment equity

22. 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 2006-507

Conditions of licence

1. The licence is subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999 (Public Notice 1999-37).
2. The licensee shall, as an exception to the percentage of Canadian musical selections set out in sections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986*, in any broadcast week:
 - (a) devote, in that broadcast week, a minimum of 40% of its musical selections from content category 2 to Canadian selections broadcast in their entirety; and
 - (b) devote, between 6:00 a.m. and 6:00 p.m., in the period from Monday to Friday of the same broadcast week, a minimum of 40% of its musical selections from content category 2 to Canadian selections broadcast in their entirety.
3. All financial support for Canadian talent development (CTD) required under condition of licence no. 5 set out in Public Notice 1999-137 shall be paid to the Foundation to Assist Canadian Talent on Records (FACTOR).
4. In addition to the amounts for CTD required under condition of licence no. 5 set out in Public Notice 1999-137, the licensee shall, upon commencement of operations, make direct annual expenditures of at least \$5,600 for the development and promotion of Canadian talent. This amount shall be distributed as follows:
 - \$3,000 to support the Nancy Island Jazz in the Park Concert Series;
 - \$2,600 to a discretionary fund to support Canadian talent within the principal marketing area of the undertaking. Should these funds not be totally expended by the end of each fiscal year, the remainder shall be devoted to FACTOR.

The Commission reminds the licensee that contributions to CTD should be made in accordance with Appendix 1 to *An FM Policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.