



Broadcasting Decision CRTC 2010-65

Route reference: 2009-461

Additional reference: 2009-461-4

Ottawa, 10 February 2010

Various applicants

Gimli, Winnipeg Beach and Arborg, Manitoba

*Public Hearing in the National Capital Region
29 October 2009*

Licensing of new radio stations to serve Gimli and Winnipeg Beach and new transmitter in Arborg

*The Commission **approves in part** the application by 5777152 Manitoba Ltd. for a broadcasting licence to operate a new English-language commercial FM radio station to serve Winnipeg Beach and a transmitter in Arborg. Within 90 days of the date of this decision, the applicant must submit an amendment to the application proposing the use of an FM frequency other than 93.7 MHz (channel 229A) that is acceptable to both the Commission and the Department of Industry (the Department). Further, the implementation of the transmitter in Arborg is subject to notification by the Department discussed in the appendix to this decision.*

*The Commission **denies** the application by Riding Mountain Broadcasting Ltd. for a broadcasting licence to operate an English-language commercial FM radio station in Gimli.*

Introduction

1. The Commission received an application by 5777152 Manitoba Ltd. (5777152 Manitoba) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Winnipeg Beach and a transmitter at 99.5 MHz in Arborg, Manitoba to rebroadcast the programming of the proposed undertaking. The Commission also received an application by Riding Mountain Broadcasting Ltd. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in nearby Gimli, Manitoba. Both applications for new radio services proposed to use the frequency 93.7 MHz and are mutually exclusive on a technical basis.
2. 5777152 Manitoba is wholly-owned and controlled by Mr. William Gade.
3. As part of this process, the Commission received and considered interventions and replies with respect to each application. The public record for this proceeding is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

4. After reviewing the positions of the parties to this proceeding, the Commission is of the view that the primary issues to be considered are the following:
 - Can the Gimli/Winnipeg Beach regional radio market sustain one or more radio services?
 - If so, which of the applications should be approved, based on the quality of the applications?
 - Does the proposed use of 93.7 MHz represent the optimum use of the frequency?

The Gimli/Winnipeg Beach regional radio market and its ability to sustain one or more radio services

5. Gimli and Winnipeg Beach are situated in Manitoba's Interlake Region, which is widely regarded as one of the best tourist destinations in the province. The economies of Gimli and Winnipeg Beach are based on manufacturing, tourism and the commercial fishery. According to Statistics Canada's 2006 Census, the population of Gimli was 5,797 and that of Winnipeg Beach 1,017. The Commission notes that the population of each of these communities increases significantly during the summer months. Both Gimli and Winnipeg Beach currently have no local radio service. Given their proximity to Winnipeg, residents tune mostly to Winnipeg area stations.
6. Based upon the size of the Gimli/Winnipeg Beach regional radio market, the Commission considers that the market could support a maximum of one new radio service at this time.

Assessment of the applications

7. The criteria for assessing the quality of competitive applications for new commercial radio services are set out in Decision 99-480. These criteria include the overall business plan provided by the applicant, including the proposed format, as well as its commitments relating to local reflection and the broadcast and development of Canadian content. Details from the applications reflecting the applicants' commitments in these respects are set out in Appendix 1 to this decision.
8. Having considered both applications in light of the criteria set out above, the Commission finds that the proposal by 5777152 Manitoba for a Country and Pop/Rock station best meets the needs of the Gimli/Winnipeg Beach regional radio market. In the Commission's view, the proposed station would provide a dedicated local programming service and would add diversity to the market. Specifically, the Commission notes that 5777152 Manitoba committed to broadcast a minimum of 115 hours of local programming and 8 hours and 8 minutes of news each broadcast week. The applicant also committed to devote 42% of its musical selections from each of categories 2 (Popular Music) and 3 (Special Interest Music) throughout the broadcast week and from 6 a.m. to 6 p.m. Monday to Friday to Canadian selections, which exceeds the regulatory minimums.

9. All commercial radio licensees must adhere to the requirements relating to contributions to Canadian content development (CCD) set out in section 15 of the *Radio Regulations, 1986*, as amended from time to time. The Commission notes that 5777152 Manitoba made a commitment to exceed the minimum contribution to CCD. Specifically, the applicant committed to devote an additional \$35,700 over seven broadcast years to CCD, to be allocated to eligible initiatives such as the following:
- Country Talent Development Fund;
 - Evergreen School Division Music Program;
 - Elvis Fest; and
 - Evergreen Basic Needs Group – local talent shows.

Proposed use of 93.7 MHz

10. Golden West Broadcasting Ltd. and Nostalgia Broadcasting Cooperative Inc. each filed interventions in opposition to the applications. They argued that the frequency requested by the applicants would be better suited for Winnipeg and Southern Manitoba as frequencies for those areas are scarce.
11. The Commission notes that the use of the frequency 93.7 MHz in Winnipeg and in Gimli/Winnipeg Beach is mutually exclusive on a technical basis and that few viable frequencies remain in the Winnipeg market. The Commission considers that the use of the frequency 93.7 MHz in Winnipeg would likely represent the best use of that frequency. Finally, the Commission notes that the applicants identified alternative frequencies and stated that these frequencies could support their business plans. Given that the Gimli/Winnipeg Beach regional market is less congested than the Winnipeg market, the Commission considers that the availability of alternative frequencies in the Gimli/Winnipeg Beach regional market is more likely.
12. In light of the above, the Commission finds that the proposed use of 93.7 MHz to serve the Gimli/Winnipeg Beach region would not represent the optimum use of the frequency.

Determinations

13. Based on all of the foregoing, the Commission **approves in part** the following application for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Winnipeg Beach and a transmitter in Arborg, Manitoba to rebroadcast the programming of the undertaking:

5777152 Manitoba Ltd.

Application 2008-1541-7, received 17 November 2008

The terms and **conditions of licence** for the new undertaking and transmitter are set out in Appendix 2 to this decision.

14. As set out in Appendix 2 to this decision, 5777152 Manitoba Ltd. must submit, within 90 days of the date of this decision, an amendment to the application proposing the use of an FM frequency other than 93.7 MHz (channel 229A) and related technical parameters that are acceptable to both the Commission and the Department of Industry (the Department). Further, the implementation of the transmitter is subject to the notification by the Department discussed in that appendix.
15. In light of the above, the Commission **denies** the following application for a broadcasting licence to operate a radio programming undertaking in Gimli:

Riding Mountain Broadcasting Ltd.

Application 2009-0254-5, received 2 February 2009

Secretary General

Related documents

- *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000
- *Introductory statement – Licensing new radio stations*, Decision CRTC 99-480, 28 October 1999

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 1 to Broadcasting Decision CRTC 2010-65

Details from the applications for new broadcasting licences for FM radio programming undertakings to serve Gimli/Winnipeg Beach, Manitoba

Applicant	Details from the application
5777152 Manitoba Ltd. Application 2008-1541-7	Type: English-language commercial FM radio programming undertaking in Winnipeg Beach with a rebroadcasting transmitter in Arborg Technical parameters: 93.7 MHz (channel 229A), effective radiated power (ERP) of 1,640 watts; transmitter: 99.5 MHz (channel 258A1), ERP of 119 watts Format: Blend of Country and Pop/Rock Target audience: 21-65 years (core varying throughout year – higher retired population during the summer) Canadian content (music): 42% category 2*; 42% category 3 each broadcast week and between 6 a.m. and 6 p.m. Monday to Friday Local programming per broadcast week**: 115 hours Spoken word programming per broadcast week: 16 hours, 30 minutes News*** programming per broadcast week: 8 hours, 8 minutes Canadian content development contribution (over the basic annual contribution): \$35,700 over seven consecutive broadcast years
Riding Mountain Broadcasting Ltd. Application 2009-0254-5	Type: English-language commercial FM radio programming undertaking in Gimli Technical parameters: 93.7 MHz (channel 229C1), average ERP of 53,000 watts Format: Adult Contemporary Target audience: 18-64 years (core: 35-64 years) Canadian content (music): 35% category 2; 10% category 3 each broadcast week Local programming per broadcast week: 110 hours Spoken word programming per broadcast week: 23 hours News programming per broadcast week: 3 hours, 24 minutes Canadian content development contribution (over the basic annual contribution): none

* Percentages shown for category 2 musical selections (Popular Music) are for both the broadcast week and the period from 6 a.m. to 6 p.m., Monday to Friday. The definition of "broadcast week" is the same as that set out in the *Radio Regulations, 1986*.

** The definition of "broadcast week," as it relates to local, spoken word and news programming, is the same as that set out in the *Radio Regulations, 1986*.

*** As set out in *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000, "news" excludes related surveillance material, that is, weather, traffic, sports and entertainment reports.

Appendix 2 to Broadcasting Decision CRTC 2010-65

5777152 Manitoba Ltd.

Application 2008-1541-7, received 17 November 2008

Terms, conditions of licence, expectation and encouragement

Issuance of the broadcasting licence to operate an English-language commercial FM radio programming undertaking in Winnipeg Beach and a transmitter in Arborg, Manitoba

Terms

The licence will expire 31 August 2016.

The Commission will only issue the licence and the licence will only be effective at such time as:

- the applicant submits, within 90 days of the date of this decision, an amendment to its application proposing the use of an FM frequency other than 93.7 MHz (channel 229A) and related technical parameters that are acceptable to both the Commission and the Department of Industry (the Department). This amended application will form part of a public process;
- pursuant to section 22(1) of the *Broadcasting Act*, the Department notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued; and
- 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 10 February 2010. 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.

The transmitter in Arborg will operate at 99.5 MHz (channel 258A1) with an effective radiated power of 119 watts.

The Commission reminds the applicant that pursuant to section 22(1) of the *Broadcasting Act*, this authority will only be effective when the Department notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued. Therefore, in the absence of the notification by the Department, the applicant will not be able to implement the transmitter approved in this decision.

The transmitter in Arborg must be operational at the earliest possible date and in any event no later than 24 months following the date of the issuance of the decision approving the use of an alternative frequency for the programming undertaking in Winnipeg Beach, unless a request for an extension of time is approved by the Commission. In order to ensure that such a request is processed in a timely manner, it should be submitted in writing at least 60 days before the end of the 24-month period.

Conditions of licence

1. The licence will be subject to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC [2009-62](#), 11 February 2009.
2. The licensee shall, as an exception to the percentage of Canadian musical selections set out in sections 2.2(3), 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations):
 - a) devote, in each broadcast week, a minimum of 42% of its musical selections from each of content categories 2 (Popular Music) and 3 (Special Interest Music) to Canadian selections broadcast in their entirety; and
 - b) devote, between 6 a.m. and 6 p.m., in any period beginning on Monday of a week and ending on Friday of the same week, a minimum of 42% of its musical selections from each of content categories 2 (Popular Music) and 3 (Special Interest Music) to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meaning as that set out in the Regulations.

3. In addition to the required basic annual contribution to Canadian content development (CCD) set out in section 15 of the *Radio Regulations, 1986*, as amended from time to time, the licensee shall, upon commencement of operations, make an annual contribution of \$5,100 (\$35,700 over seven consecutive broadcast years) to the promotion and development of Canadian content.

Of this amount, the licensee shall allocate no less than 20% per broadcast year to FACTOR. The remaining amounts of this additional CCD contribution shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

Expectation

Cultural diversity

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

Encouragement

Employment equity

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