



## Broadcasting Decision CRTC 2010-940

PDF version

Route reference: 2010-543

Additional reference: 2010-543-1

Ottawa, 17 December 2010

### **Corus Entertainment Inc., on behalf of its subsidiaries 591991 B.C. Ltd., Metromedia CMR Broadcasting Inc. and Corus Radio Company, and on behalf of corporations to be incorporated**

Various locations in British Columbia, Alberta, Ontario and Quebec

*Applications 2010-1198-1, 2010-1199-9, 2010-1202-0 and 2010-1203-8,  
received 30 June 2010*

*Public Hearing in Montréal, Quebec  
28 September 2010*

### **Various commercial radio programming undertakings – Corporate reorganization (transfers of shares and acquisition of assets)**

1. The Commission **approves** the applications by Corus Entertainment Inc. (Corus), on behalf of its wholly owned subsidiaries 591991 B.C. Ltd. (591991 B.C.), Metromedia CMR Broadcasting Inc. (Metromedia) and Corus Radio Company (Corus Radio), as well as on behalf of corporations to be incorporated, for authority to effect a multi-step corporate reorganization involving the transfers of shares, followed by the transfer of the assets of certain broadcasting undertakings in Quebec to corporations to be incorporated (the New Corporations).
2. The Commission also **approves** the application by the New Corporations (B.C. Newco1, B.C. Newco2 and Metromedia Newco; see paragraph 6) for new broadcasting licences to continue the operation of the undertakings under the same terms and **conditions** as those in effect under the current licences.
3. The Commission did not receive any interventions in connection with these applications.
4. 591991 B.C. is the licensee of commercial radio programming undertakings in Quebec and is wholly owned by Corus Premium Television Ltd. (Corus Premium), which in turn is wholly owned by Corus.
5. Metromedia is the licensee of commercial radio programming undertakings in Quebec and is wholly owned by Belcand Mount Royal Holdings Inc. (Belcand), which in turn is wholly owned by Corus. Belcand also owns Corus Radio, the

licensee of commercial radio programming undertakings in British Columbia, Alberta and Ontario.

6. The reorganization will occur as follows:

*Transfers of shares (Application 2010-1198-1)*

- incorporation by Corus of a new wholly owned corporate entity, Newco;
- transfer by Corus of its shares in Belcand to Newco;
- amalgamation of Belcand with Newco to form Amalco; and
- transfer of Corus Premium's shares in 591991 B.C. to Amalco;

Following these changes, Amalco will become the sole shareholder of 591991 B.C., Metromedia and Corus Radio.

- incorporation of two new wholly owned subsidiaries of 591991 B.C.: B.C. Newco1 and B.C. Newco2; and
- incorporation of a new wholly owned subsidiary of Metromedia, Metromedia Newco.

*Acquisition of assets (Applications 2010-1199-9, 2010-1202-0 and 2010-1203-8, respectively)*

- acquisition by B.C. Newco1 of the assets of the radio programming undertaking CFEL-FM Lévis/Québec from 591991 B.C.;
- acquisition by B.C. Newco2 of the assets of the radio programming undertaking CKOY-FM Sherbrooke from 591991 B.C.;
- acquisition by Metromedia Newco of the assets of the radio programming undertaking CHMP-FM Longueuil from Metromedia.

7. The Commission notes that this reorganization will not affect the effective control of the radio programming undertakings, which will continue to be exercised by Corus.
8. Upon surrender of the current licences for the undertakings listed below and filing of constituting documents demonstrating that an eligible corporation has been incorporated, the Commission will issue broadcasting licences for the following radio programming undertakings to the new licensees under the same terms and **conditions** as those in effect under the current licences.

<b>Undertaking</b>	<b>Current licensee</b>	<b>Licensee to be incorporated</b>
CFEL-FM Lévis/Québec	591991 B.C. Ltd.	BC Newco1
CKOY-FM Sherbrooke	591991 B.C. Ltd.	BC Newco2
CHMP-FM Longueuil	Metromedia CMR Broadcasting Inc.	Metromedia Newco

9. The present reorganization constitutes a preliminary step to the application that is the subject of *Transfer of the effective control of various commercial radio programming undertakings from Corus Entertainment Inc. to Cogeco inc.*, Broadcasting CRTC Decision 2010-942, 17 December 2010 (Broadcasting Decision 2010-942), also issued today, concerning the transfer to Cogeco inc. of ownership and effective control of certain licensees of commercial radio programming undertakings in Quebec owned by Corus.
10. Notwithstanding this approval, in light of Broadcasting Decision 2010-942, the Commission requires the applicant to confirm whether it will proceed with the reorganization and the transfer of assets of CHMP-FM.

Secretary General

*\*This decision is to be appended to each licence.*