



Broadcasting Notice of Consultation CRTC 2011-625-1

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Additional reference: 2011-625

Ottawa, 30 November 2011

Call for applications – Radio stations to serve Toronto

Financial information relating to ethnic radio stations

1. On 28 September 2011, the Commission issued a call for applications to obtain broadcasting licences to operate new radio programming undertakings to serve Toronto (the Call) (see *Call for applications – Radio stations to serve Toronto*, Broadcasting Notice of Consultation CRTC 2011-625, 28 September 2011 [Broadcasting Notice of Consultation 2011-625]). In that notice, the Commission indicated that interested persons must submit duly completed applications to the Commission by 19 December 2011. The Commission notes that in the Call, it provided a link to a financial summary for the Toronto radio market, which refers to all private radio stations in that market combined.
2. Since the issuance of Broadcasting Notice of Consultation 2011-625, the Commission has received two separate requests for financial information relating specifically to ethnic radio stations operating in the Toronto market. The Commission notes that such information has never been released by the Commission in the past, as ethnic stations historically have been grouped together with English-language stations. However, in the present case, the Commission is of the view that the aggregated financial information could be made public without breaching any confidential rules. Further, the Commission considers that this information would be useful to potential applicants in determining whether they should submit an application for a broadcasting licence to operate an ethnic service in the Toronto radio market, in response to the Call.
3. In light of the above, the Commission has provided, in the appendix to the present notice of consultation, a table setting out the aggregated financial information relating to ethnic radio stations in the Toronto radio market, for the 2006 through 2010 fiscal years.

Secretary General

Appendix to Broadcasting Notice of Consultation CRTC 2011-625-1

Aggregated financial information relating to ethnic radio stations in the Toronto radio market (2006-2010 fiscal years)

CRTC – FINANCIAL SUMMARY – RADIO

Toronto Market - Ethnic

(\$)	Fiscal Year	2006	2007	2008	2009	2010	CAGR (%)			
Reporting Units	7	7	8	9	9	9	5 yr			
Revenue	Var %	Var %	Var %	Var %	Var %	Var %	5 yr			
Local Time Sales	17 736 471	17 310 820	-2.40	17 676 601	2.11	16 644 905	-5.84	17 801 411	6.95	0.1
National Time Sales	475 151	237 536	-50.01	560 549	135.98	728 450	29.95	842 412	15.64	15.4
Network Payments				0		0	n/a	0	n/a	n/a
Syndication-Production	243 796	309 715	27.04	297 386	-3.98	234 475	-21.15	241 299	2.91	-0.3
Government Grants								0		n/a
Other Revenue	1 876 779	1 899 935	1.23	1 740 252	-8.40	2 004 220	15.17	2 459 993	22.74	
Total Revenue	20 332 197	19 758 006	-2.82	20 274 788	2.62	19 612 050	-3.27	21 345 115	8.84	1.2
Expenses										
Program	5 954 871	6 024 564	1.17	6 476 023	7.49	5 413 496	-16.41	5 863 672	8.32	-0.4
Technical	1 171 498	1 339 719	14.36	1 393 587	4.02	1 438 411	3.22	1 658 420	15.30	9.1
Sales and Promotion	3 397 405	3 266 329	-3.86	3 209 685	-1.73	2 923 783	-8.91	2 868 639	-1.89	-4.1
Administration and General	6 357 830	6 535 511	2.79	7 376 195	12.86	7 820 962	6.03	7 848 067	0.35	5.4
Total Expenses	16 881 604	17 166 123	1.69	18 455 490	7.51	17 596 652	-4.65	18 238 798	3.65	2.0
Operating Income	3 450 593	2 591 883		1 819 298		2 015 398		3 106 317		
Depreciation	543 143	595 275	9.60	658 930	10.69	694 666	5.42	833 579	20.00	11.3
Profit before interest and taxes (P.B.I.T.)	2 907 450	1 996 608		1 160 368		1 320 732		2 272 738		
Interest Expense	377 711	495 590	31.21	101 795	-79.46	105 533	3.67	83 159	-21.20	
Adjustments Gain (Loss)	-4 784	-254 108	>999±	317 912	-225.11	795 555	150.24	105 298	-86.76	
Pre-tax Profit	2 524 955	1 246 910		1 376 485		2 010 754		2 294 877		

Programming (%)										
Programming Expense/Expense Total	35.3	35.1		35.1		30.8		32.1		
Programming Expense/Revenue Total	29.3	30.5		31.9		27.6		27.5		
Staff										
Total Salaries	8 199 768	8 848 875	7.92	9 112 173	2.98	7 632 775	-16.24	8 093 977	6.04	-0.3
Average Staff Count	231.7	246.7	6.47	251.0	1.74	240.2	-4.30	329.8	37.30	
Average Salary (\$)	35,390	35,869	1.35	36,303	1.21	31,777	-12.47	24,542	-22.77	-8.7
Salaries/Expense Total (%)	48.6	51.5		49.4		43.4		44.4		
Profitability (%)										
Operating Margin	17.0	13.1		9.0		10.3		14.6		
P.B.I.T. Margin	14.3	10.1		5.7		6.7		10.6		
Pre-tax Margin	12.4	6.3		6.8		10.3		10.8		

CAGR = Compound Annual Growth Rate