



Broadcasting Decision CRTC 2013-703

PDF version

Route reference: 2013-325

Ottawa, 16 December 2013

Sound of Faith Broadcasting

Woodstock, Ontario

Application 2013-0078-0, received 16 January 2013

CJFH-FM Woodstock – Licence renewal

*The Commission **renews** the broadcasting licence for the specialty (Christian music) radio station CJFH-FM Woodstock, Ontario from 1 January 2014 to 31 August 2017. This short-term licence renewal will allow for an earlier review of the licensee's compliance with its conditions of licence and with the Radio Regulations, 1986.*

Introduction

1. Sound of Faith Broadcasting (Sound of Faith) filed an application to renew the broadcasting licence for the specialty (Christian music) radio station CJFH-FM Woodstock, Ontario, which expires 31 December 2013.¹ The Commission did not receive any interventions in connection with this application.

Non-compliance

2. In Broadcasting Notice of Consultation 2013-325, the Commission stated that the licensee was in apparent non-compliance with its condition of licence relating to contributions to Canadian talent development (CTD) for the 2009-2010 broadcast year. It further stated that the licensee was in apparent non-compliance with section 9(2) of the *Radio Regulations, 1986* (the Regulations), which relates to the filing of complete annual returns, for the 2009-2010 broadcast year.
3. The Commission notes that in Broadcasting Decision 2010-411, it renewed the broadcasting licence for CJFH-FM for a short-term period of four years, due the station's non-compliance with section 9(2) of the Regulations for the 2005-2006 through 2007-2008 broadcast years as well as its non-compliance with its condition of licence relating to CTD for the 2004-2005 and 2005-2006 broadcast years.

¹ The original licence expiry date for CJFH-FM was 31 August 2013. The broadcasting licence was administratively renewed until 31 December 2013 in Broadcasting Decision 2013-418.

Contributions to Canadian talent development

4. In Broadcasting Decision 2003-146, the Commission set out the following condition of licence relating to CTD contributions for CJFH-FM:
 5. The licensee shall devote a minimum of \$2,000 per year, adding increments of \$200 in years two to seven, in direct cost expenditures toward the development of Canadian talent. This will entail hosting an annual talent contest and concert whose winners will receive \$1,500 toward the production of a CD in a local studio. The remaining Canadian talent development funding will be given to the Canadian Gospel Music Association.
5. In Broadcasting Decision 2010-411, the Commission directed the licensee to expend, by no later than 31 August 2010, a shortfall amount of \$5,169 from the above initial CTD commitment, and specified the initiatives to which that amount was to be allocated. It also directed the licensee to provide, by no later than 30 November 2010, in its annual return for the 2009-2010 broadcast year, proof of payment for all contributions (including arrears) made during that broadcast year, as well as proof of payment of its required CTD contribution of \$3,200 for the 2009-2010 broadcast year. The Commission notes that the licensee's total shortfall incurred for the station therefore amounted to \$8,369.
6. The licensee explained that it did not adhere to the Commission's direction due to the station's fragile financial situation and to limited funding during the 2009-2010 broadcast year, but committed to pay all outstanding shortfalls by 31 August 2013.
7. The Commission notes that Sound of Faith has since made up, and exceeded, the above-noted CTD shortfall, as attested by proof of payment it provided with the 2012-2013 annual return for CJFH-FM. Nevertheless, the Commission finds the licensee in non-compliance with its condition of licence relating to its past CTD contributions.

Annual returns

8. As stated in section 9(2) of the Regulations, licensees are required to file an annual return by 30 November of each year for the broadcast year ending the previous 31 August. The filing requirements, including the requirement to submit financial statements with the annual returns, are set out in Broadcasting Information Bulletin 2011-795. The Commission notes that the licensee's annual return for the 2009-2010 broadcast year was filed on time but was incomplete, missing the financial statements, which were submitted more than two years after the 30 November deadline. Sound of Faith stated that the missing financial statements were due to a clerical error.
9. The Commission further notes that the licensee did submit the missing information when it was requested to do so by Commission staff, and that all other annual returns filed by the licensee for this station have been complete and on time. Nevertheless,

the Commission finds the licensee in non-compliance with section 9(2) of the Regulations.

Regulatory measures

10. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach to non-compliance by radio stations. Specifically, the Commission indicated that each instance of non-compliance would be evaluated in its context and in light of factors such as the quantity, recurrence and seriousness of the non-compliance. The Commission also indicated that it would consider the circumstances of the non-compliance, the arguments provided by the licensee and the measures taken to rectify the situation.
11. The Commission considers that initiatives relating to the development of Canadian content and talent not only help to develop and advance the careers of emerging Canadian artists but increase the supply of high-quality Canadian music in a variety of genres and the demand for Canadian music by listeners. Accordingly, it is important that radio licensees make their required contributions to the development of Canadian content and talent.
12. Furthermore, compliance with the deadlines for the filing of complete annual returns is important because it enables the Commission to monitor a licensee's performance and compliance with regulations and requirements. Accordingly, it considers annual returns that are incomplete and/or filed late to be a serious matter.
13. Although the Commission is confident that the necessary measures have been put in place to ensure future compliance with the requirement to file complete annual returns, it is not confident that measures have been implemented to ensure future compliance relating to the licensee's contributions to the development of Canadian content. In light of this, and given the circumstances surrounding Sound of Faith's non-compliance, the Commission considers that a short-term licence renewal for CJFH-FM is appropriate.

Conclusion

14. In light of the above, the Commission renews the broadcasting licence for the specialty (Christian music) radio programming undertaking CJFH-FM Woodstock, Ontario, from 1 January 2014 to 31 August 2017. This short-term licence renewal will allow for an earlier review of the licensee's compliance with its conditions of licence and with the Regulations. The terms and **conditions of licence** are set out in the appendix to this decision.

Reminder

15. Pursuant to section 22 of the *Broadcasting Act*, the Commission reminds the licensee that the broadcasting licence will cease to have any force or effect if the broadcasting certificate issued by the Department of Industry lapses.

Secretary General

Related documents

- *Various radio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2013-418, 19 August 2013
- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2013-325, 5 July 2013
- *Filing annual returns for radio programming undertakings*, Broadcasting Decision CRTC 2011-795, 20 December 2011
- *Revised approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2011-347, 26 May 2011
- *CJFH-FM Woodstock – Licence renewal*, Broadcasting Decision CRTC 2010-411, 29 June 2010
- *Low-power Christian music FM radio station in Woodstock*, Broadcasting Decision CRTC 2003-146, 7 May 2003

**This decision is to be appended to the licence.*

Appendix to Broadcasting Decision CRTC 2013-703

Terms, conditions of licence and encouragement for the specialty (Christian music) radio programming undertaking CJFH-FM Woodstock, Ontario

Terms

The licence will expire 31 August 2017.

Conditions of licence

1. The licensee shall adhere 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, as amended from time to time, with the exception of condition of licence 7.
2. The station shall be operated within the specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, as amended from time to time, and *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
3. During each broadcast week, the licensee shall ensure that at least 90% of all musical selections broadcast are drawn from content subcategory 35 (Non-classic religious), as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
4. The licensee shall ensure that not less than 10% of all content category 3 (Special Interest Music) musical selections broadcast each broadcast week are Canadian selections.
5. Where the licensee broadcasts religious programming as defined in *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993, the licensee shall adhere to the guidelines set out in sections III.B.2.a) and IV of that public notice with respect to the provision of balance and ethics in religious programming, as amended from time to time.

For the purposes of these conditions of licence, “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meanings as those set out in the *Radio Regulations, 1986*.

Encouragement

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.