



Broadcasting Decision CRTC 2017-2

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Reference: 2016-232

Ottawa, 6 January 2017

Riding Mountain Broadcasting Ltd.
Brandon, Manitoba

Application 2016-0342-3, received 5 April 2016

CKLQ Brandon – Conversion to the FM band

*The Commission **approves** an application by Riding Mountain Broadcasting Ltd. to operate an English-language commercial FM radio station in Brandon to replace its AM station CKLQ Brandon and to operate an AM transmitter in Brandon to rebroadcast the programming of the FM station.*

Application

1. Riding Mountain Broadcasting Ltd. (Riding Mountain) filed an application for a broadcasting licence to operate an English-language commercial FM radio station in Brandon, Manitoba, to replace its AM commercial radio station CKLQ Brandon and to operate an AM transmitter in Brandon to rebroadcast the programming of the proposed FM station.
2. Riding Mountain is wholly owned by Westman Media Cooperative Ltd. and is controlled by its Board of Directors pursuant to the terms of the Unanimous Shareholders Agreement dated 24 October 1997.
3. The applicant proposed to maintain CKLQ's country music format. The new station would target listeners between the ages of 25 and 54. It would broadcast 126 hours of programming each broadcast week, including 117 hours of local programming. It would also provide local spoken word content focusing on information specific to residents in the area. Further, in each broadcast week, the station would devote 8.5 hours to newscasts, including 6 hours of local and regional news.
4. According to the applicant's projections, the station would generate annual revenues below the \$1.25 million threshold set out in the *Radio Regulations, 1986* (the Regulations). As such, the station would not be required to make any basic Canadian content development (CCD) contributions so long as its annual revenues remain below \$1.25 million. However, as part of its application, Riding Mountain committed to contribute, by condition of licence, a total of \$17,500 to CCD over seven consecutive broadcast years (\$2,500 per broadcast year) upon commencement

of operations. Of this amount, at least 20% would be devoted to FACTOR. The remainder would be directed to eligible initiatives, including the following:

- the Brandon Festival of Arts;
 - the Eckhardt-Gramatté Conservatory of Music Recital;
 - the Brandon School Instrumental Music Association; and
 - the Vincent Massey Music Association.
5. Riding Mountain proposed to operate the station at 91.5 MHz (channel 218C) with an effective radiated power of 100,000 watts (non-directional antenna with an effective height of antenna above average terrain of 325.6 metres). In Broadcasting Decision 2016-100, the Commission approved an application by Native Communications Inc. (NCI) to change the frequency of CIWM-FM, a rebroadcasting transmitter for the Type B Native radio station CINC-FM Thompson, from 91.5 MHz (channel 218) to 107.5 MHz (channel 298). NCI has until 16 March 2018 to make the change. Accordingly, Riding Mountain's proposed use of frequency 91.5 MHz is conditional on the successful transition of CIWM-FM to 107.5 MHz.
6. Further, the applicant proposed to operate an AM transmitter to rebroadcast the programming of the proposed station with the purpose of maintaining service to residents of southwest Manitoba that would not fall within the coverage of its proposed FM station. The AM rebroadcasting transmitter would operate at CKLQ's current frequency and technical parameters, namely, 880 kHz (class B) with a daytime and nighttime transmitter power of 10,000 watts.

Interventions

7. The Commission received interventions in support of the application, as well as a joint opposing intervention from Bell Media Inc., Corus Entertainment Inc. and Rogers Media Inc. (collectively, the Broadcasters), to which the applicant replied. The public record for this proceeding can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.
8. The Broadcasters submitted that Riding Mountain wishes to simulcast indefinitely, contrary to the Regulations. They further submitted that before the Commission approves applications such as Riding Mountain's, it must change its simulcast policy and the Regulations, and establish a criteria by which it can evaluate such applications.
9. Riding Mountain replied that the Commission has allowed simulcasting in certain instances, such as in Broadcasting Decisions 2013-116, 2013-117 and 2013-118.

Commission's analysis

10. There are four commercial radio stations operating in Brandon: Riding Mountain's CKLQ and CKLF-FM, and Bell Media Inc.'s CKXA-FM and CKX-FM. CKLQ and CKXA-FM operate under a country music format. The proposed FM station, which would replace CKLQ, would continue to operate under that format.
11. The profit before interest and taxes (PBIT) margin for the Brandon radio market has increased consistently every year since 2011 and has surpassed the average PBIT margin for the Manitoba non-designated radio market for the past two years.
12. Riding Mountain indicated that CKLQ has generated a net loss and that only approval of its proposed FM station and AM rebroadcasting transmitter would improve the financial situation of the station.
13. Given the foregoing, the Commission finds that approval of the application would not have an undue financial impact on existing stations in the Brandon radio market.

Conclusion

14. In light of all of the above, the Commission **approves** the application by Riding Mountain Broadcasting Ltd. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Brandon to replace its AM station CKLQ Brandon and to operate an AM transmitter in Brandon to rebroadcast the programming of the FM station. The terms and **conditions of licence** are set out in the appendix to this decision.

Simulcast period and revocation of AM licence

15. With respect to the intervention submitted by the Broadcasters, section 14(1) of the Regulations prohibits an FM licensee that is also an AM licensee from broadcasting simultaneously on its FM station the same matter that is being broadcast on its AM station if any part of the FM station's 3 mV/m contour overlaps with any part of the AM station's daytime 15 mV/m contour.
16. In this instance, the applicant requested to convert CKLQ from an AM to an FM radio station, while maintaining the AM undertaking as a rebroadcasting transmitter for its proposed FM station. As such, the application does not contravene section 14(1) of the Regulations.
17. Further, Riding Mountain did not request authority to simulcast the programming of its FM station on its current AM transmitter during a transition period. However, to ensure a smooth transition of the conversion of the station from the AM to the FM band, as set out in the appendix to this decision, the Commission authorizes Riding Mountain to simulcast the programming of the new FM station on CKLQ Brandon for a transition period of three months following the commencement of operation of the FM station. Pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act*, the Commission **revokes** the licence for CKLQ Brandon effective

at the end of the simulcast period, at which time it will be added to the broadcasting licence of the new FM radio station as an AM rebroadcasting transmitter.

Secretary General

Related documents

- *CINC-FM Thompson and its transmitter CIWM-FM Brandon – Licence amendment and technical changes*, Broadcasting Decision CRTC 2016-100, 16 March 2016
- *CFAR Flin Flon – Conversion to the FM band*, Broadcasting Decision CRTC 2013-118, 12 March 2013
- *CJAR The Pas – Conversion to the FM band*, Broadcasting Decision CRTC 2013-117, 12 March 2013
- *CHTM Thompson – Conversion to the FM band*, Broadcasting Decision CRTC 2013-116, 12 March 2013

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2017-2

Terms, conditions of licence, expectation and encouragement for the English-language commercial FM radio programming undertaking in Brandon, Manitoba

Terms

The licence will expire 31 August 2023.

The station will operate at 91.5 MHz (channel 218C) with an effective radiated power of 100,000 watts (non-directional antenna with an effective height of antenna above average terrain of 325.6 metres).

The AM rebroadcasting transmitter will operate at 880 kHz (class B) with a daytime and nighttime transmitter power of 10,000 watts.

Pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

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 **6 January 2019**. 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.

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 well as to the conditions set out in the broadcasting licence for the undertaking.
2. In addition to the basic annual contribution to Canadian content development, set out in section 15 of the *Radio Regulations, 1986*, the licensee shall, upon commencement of operations, make an annual contribution of \$2,500 (\$17,500 over seven consecutive broadcast years) to the promotion and development of Canadian content. Of this amount, at least 20% per broadcast year shall be devoted to FACTOR or MUSICACTION. The remainder 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.

3. The licensee is authorized to simulcast the programming of the new FM station on CKLQ Brandon for a transition period of three months following the commencement of operation of the FM station.

Expectation

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

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.