



Broadcasting Decision CRTC 2020-313

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Reference: Part 1 licence renewal application posted on 5 June 2020

Ottawa, 27 August 2020

Stingray Group Inc.
Across Canada

Public record for this application: 2019-0886-5

Stingray Music – Licence renewal

*The Commission **renews** the broadcasting licence for the national pay audio service Stingray Music from 1 September 2020 to 31 August 2027.*

Application

1. The Commission has the authority, pursuant to section 9(1) of the *Broadcasting Act* (the Act) to issue and renew licences for such terms not exceeding seven years and subject to such conditions related to the circumstances of the licensee as it deems appropriate for the implementation of the broadcasting policy set out in section 3(1) of the Act.
2. Stingray Group Inc. (Stingray) filed an application to renew the broadcasting licence for its national pay audio service Stingray Music, which expires 31 August 2020.

Interventions and licensee's reply

3. The Commission received an intervention in support of the application from the Broadcast Advocacy Group.
4. It also received an intervention from an individual opposing the application. The intervener was of the view that mandated specialty audio services, especially linear services, are no longer relevant within Canada and effectively represent an extra tax for generally unused services.
5. In its reply, Stingray disagreed with the opposing intervener's submission. Stingray stated that, since 2016, Stingray Music has not been offered on the digital basic service and has been made available only as a discretionary service. It further noted that Stingray Music is subscribed to and listened to by many Canadians.
6. Stingray further noted that, as a licensed Canadian pay audio service, Stingray Music makes a substantial contribution to the presentation and financial development of Canadian music.

Commission's analysis and decisions

7. The Commission established its licensing framework for pay audio services in *Licensing of four new pay audio programming undertakings*, Public Notice CRTC [1995-218](#), 20 December 1995. Given the discretionary nature of such services, the Commission determined that a competitive approach for pay audio services would be appropriate and established policies that would be applicable to all licensees. These were codified into conditions of licence for each of the four pay audio services approved on the same day.
8. As a discretionary service Stingray Music is only made available to those who elect to subscribe to it. It is also subject to conditions of licence that require it, among other things, to ensure that:
 - at least 35% of the musical selections broadcast each broadcast week on Canadian-produced pay audio channels, considered together, are Canadian;
 - at least 25% of all Canadian-produced pay audio channels (other than those consisting entirely of instrumental music or of music entirely in languages other than English or French) devote each broadcast week at least 65% of vocal music selections from content category 2 to musical selections in the French language; and
 - it contributes each year at least 4% of the gross annual revenues earned by its pay audio service to eligible third parties associated with Canadian content development.
9. The Commission is of the view that these commitments ensure that Stingray Music remains a valuable component of the Canadian broadcasting system.

Conclusion

10. In light of all of the above, the Commission **renews** the broadcasting licence for the national pay audio service Stingray Music from 1 September 2020 to 31 August 2027. The licensee shall adhere to the **conditions of licence** set out in the appendix to this decision, as well as the **conditions** set out in the licence for the undertaking.

Employment equity

11. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development, its employment equity practices are not examined by the Commission.

Secretary General

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

Appendix to Broadcasting Decision CRTC 2020-313

Terms and conditions of licence for the national pay audio service Stingray Music

Terms

The licence will expire 31 August 2027.

Conditions of licence

1. The licensee shall ensure that at least 35% of the musical selections broadcast each broadcast week on Canadian-produced pay audio channels, considered together, are Canadian.
2. The licensee shall ensure that a maximum of one non-Canadian pay audio channel is packaged or linked with each Canadian-produced pay audio channel. In no case shall subscribers of the pay audio service be offered a package of pay audio channels in which foreign-produced channels predominate. The licensee shall provide the Commission, upon request, with a complete list of all non-Canadian pay audio channels distributed on its service.
3. The licensee shall ensure that at least 25% of all Canadian-produced pay audio channels (other than those consisting entirely of instrumental music or of music entirely in languages other than English or French) devote each broadcast week at least 65% of vocal music selections from content category 2 (Popular Music), as defined in the *Radio Regulations, 1986*, as amended from time to time, to musical selections in the French language.
4. The licensee shall not broadcast commercial messages.
5. The licensee shall not broadcast spoken word programming, except for purposes of musical selections identification and promotion of the service and in programming directed to children.
6. The licensee shall adhere to the provisions contained in sections 3 and 11 of the *Radio Regulations, 1986*.
7. The licensee shall adhere to the Canadian Association of Broadcasters' *Equitable Portrayal Code*, as amended from time to time and approved by the Commission. The application of the foregoing condition of licence will be suspended as long as the licensee remains a member in good standing of the Canadian Broadcast Standards Council.
8. The licensee shall maintain sequential lists of all recordings played on each pay audio channel with designations for Canadian musical selections and for French-language vocal music. These lists shall be kept by the licensee for at least four weeks and forwarded to the Commission upon request, along with a notarized attestation of the lists' accuracy.

9. The licensee shall not distribute any non-Canadian pay audio channel that includes commercial messages or spoken word programming, except for purposes of musical selections identification and promotion of the service and in programming directed to children.
10. The licensee shall contribute each year at least 4% of the gross annual revenues earned by its pay audio service to eligible third parties associated with Canadian content development.

During each broadcast year of the licence term, the licensee shall allocate its above contribution as follows:

- at least 25% to FACTOR;
 - at least 25% to MUSICACTION;
 - at least 5% to the Community Radio Fund of Canada; and
 - the remainder to Stingray Rising Star (formerly Galaxie Rising Star) to discover, encourage and promote new Canadian artists (discretionary contribution).
11. The licensee shall adhere to The Wholesale Code, set out in the appendix to *The Wholesale Code*, Broadcast Regulatory Policy CRTC 2015-438, 24 September 2015, in its dealings with any licensed or exempt broadcasting undertaking.

For the purposes of these conditions, the terms “Canadian,” “commercial message,” “broadcast week” and “musical selection” shall have the meanings set out in the *Radio Regulations, 1986*, and “spoken word” shall have the meaning set out in *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000, as amended from time to time.