

Canadian Radio-television and Telecommunications Commission

**Application to Obtain a Broadcasting
Licence to Carry on a Commercial
Radio Programming Undertaking**

Napanee, Ontario

**Submitted by:
MBC
(My Broadcasting Corporation)**

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Application to Obtain a Broadcasting Licence to Carry on a Commercial Radio Programming Undertaking

1. GENERAL INFORMATION

TYPE OF STATION: AM () FM (X)
LOCATION OF UNDERTAKING: Napanee, Ontario

1.1 IDENTIFICATION OF PROPOSED LICENSEE (hereinafter the applicant)

Individual () Company to be incorporated ()
Company (X) Other () Specify: _____

NAME: My Broadcasting Corporation
ADDRESS: Box 961, Renfrew, Ontario K7V 4H4
FAX: (613) 432-1086
E-MAIL: andrew@myfmradio.ca

CONTACT PERSON REPRESENTING THE APPLICANT (if there is no appointed agent under question 1.2)

NAME: Andrew Dickson
TITLE: Secretary/Treasurer
TEL: (613) 432-6936

Please indicate the E-Mail address and FAX number that should be specified in a Public Notice.

FAX: (613) 432-1086
E-MAIL: andrew@myfmradio.ca

1.2 APPOINTMENT OF AGENT

I, _____, the applicant, hereby appoint _____ as my agent for and on my behalf and in my name to sign, file and complete (if necessary) an application with the Canadian Radio-television and Telecommunications Commission and to sign and file a reply with respect thereto and I do hereby ratify, confirm, and adopt as my own act, such application and all replies made thereto.

Date:
At:
Signature:
ADDRESS OF AGENT:
TITLE:
TELEPHONE:
FAX:
E-MAIL:

1.3 DECLARATION OF APPLICANT OR ITS APPOINTED AGENT

I, **Andrew Dickson**, SOLEMNLY DECLARE THAT:

- a) I am the Representative (representative/appointed agent) of the applicant named in this Application Brief and as such have knowledge of all matters declared therein.
- b) The statements made in this application, or any document filed pursuant to any request for further information by the Commission, are (will be) to the best of my knowledge and belief true in all respects.
- c) The opinions and estimates given in this application, or any document filed pursuant to any request for further information by the Commission, are (will be) based on facts as known to me.
- d) I have examined the provisions of the Broadcasting Act and the broadcasting regulations relevant to this application.

AND I HAVE SIGNED

Signature:

Date: March 24, 2006

WITNESSED BY

Signature:

Name (Printed): Sarah McGregor

Date: March 24, 2006

At: Renfrew, Ontario

1.3 EXAMINATION BY THE PUBLIC

Indicate a location, within the area to be served, where the application may be examined by the general public. If several transmitters form part of your application, indicate a location within each area to be served.

ADDRESS(ES): **Napanee Branch Public Library**
25 River Road
Napanee, Ontario

2. OWNERSHIP

Definitions:

- (1) **NAME/SHAREHOLDER:** If any of these persons hold public office, by election or appointment, indicate the office held under the name of the person(s).
- (2) **CITIZENSHIP:** Specify Canadian or Non-Canadian. A CANADIAN citizen, ordinarily resident in Canada, is as defined in the Direction to the CRTC (Ineligibility of Non-Canadians) P.C. 1997-486 as amended by P.C. 1998-1268.
- (3) **DIRECTORS:** Defined in the Direction to the CRTC (Ineligibility of Non-Canadians) P.C. 1997-486 as amended by P.C. 1998-1268.
- (4) **OFFICERS:** Those persons designated as Chairman, President, Chief Executive Officer, Vice-President, General Manager, Secretary, Assistant-Secretary, Comptroller, Treasurer, Assistant-Treasurer or any others under similar titles.
- (5) **CANADIAN:** If a corporation, CANADIAN means a "qualified corporation" as defined in the Direction to the CRTC (Ineligibility of Non-Canadians) P.C. 1997-486 as amended by P.C. 1998-1268.)
- (6) **APPLICANT/SHAREHOLDER:** Refers to a person who has reached the age of majority.

- 2.1 Complete the following table relating to the directors and officers, including the Chief Executive Officer, of the applicant company. The table should reflect the present and the proposed board of directors and officers.

State name of the company to which the following table pertains: My Broadcasting Corporation				
DIRECTORS AND OFFICERS				
NAME ⁽¹⁾	COMPLETE HOME ADDRESS	CITIZENSHIP ⁽²⁾	DIRECTORS ⁽³⁾ : DATE OF APPOINTMENT	OFFICERS ⁽⁴⁾ : POSITION HELD
Jon Pole	219 Opeongo Rd. Renfrew, Ontario K7V 4L3	Canadian	April 21, 2004	President
Andrew Dickson	501 Bruce St. Renfrew, Ontario K7V 4A6	Canadian	April 21, 2004	Secretary/ Treasurer

- 2.2 a) Complete the following table relating to the shareholders holding 10% or more of the voting shares and/or votes (participating and common shares) of the applicant company.

State name of the company to which the following table pertains: My Broadcasting Corporation							
CAPITAL STRUCTURE AND SHAREHOLDERS							
Shares/Units	Votes	Authorized	Issued	Name of Shareholders ⁽¹⁾ (company: provide jurisdiction) (individual: provide complete home address)	No. Held	% of Votes	Canadian ⁽²⁾⁽⁵⁾ (X)
1 Common	1	Unlimited	1	Jon Pole 219 Opeongo Rd., Renfrew, ON K7V 4G6	1	50%	Canadian
1 Common	1	Unlimited	1	Andrew Dickson 501 Bruce St. Renfrew, ON K7V 4A6	1	50%	Canadian

- b) Provide a list of the ownership of the remaining voting shares and/or votes (participating and common shares) not accounted for in a), by class of shares, identifying whether the shares are owned and controlled by Canadians or non-Canadians, if applicable.

Class of Shares	Shareholders	Total Number of Voting Shares	Total Number of Votes	Canadian ⁽²⁾⁽⁵⁾ (X)

- 2.3 a) Complete the following table relating to each corporation or other legal entity holding, directly or indirectly, 20% or more of the voting shares and/or votes (participating and common shares) of the applicant. Provide the respective Chief Executive Officer(s), if any.

State name of the company to which the following table pertains:				
DIRECTORS AND OFFICERS				
NAME ⁽¹⁾	COMPLETE HOME ADDRESS	CITIZENSHIP ⁽²⁾	DIRECTORS ⁽³⁾ : DATE OF APPOINTMENT	OFFICERS ⁽⁴⁾ : POSITION HELD

b) Complete the following table relating to the shareholders holding 20% or more of the voting shares and/or votes (participating and common shares) of the applicant.

State name of the company to which the following table pertains:							
CAPITAL STRUCTURE AND SHAREHOLDERS							
Shares/Units	Votes	Authorized	Issued	Name of Shareholders ⁽¹⁾ (company: provide jurisdiction) (individual: provide complete home address)	No. Held	% of Votes	Canadian ⁽²⁾⁽⁵⁾ (X)

2.4 a) Complete the following table relating to each corporation or other legal entity that would, directly or indirectly, control the applicant.

State name of the company to which the following table pertains:				
DIRECTORS AND OFFICERS				
NAME ⁽¹⁾	COMPLETE HOME ADDRESS	CITIZENSHIP ⁽²⁾	DIRECTORS ⁽³⁾ : DATE OF APPOINTMENT	OFFICERS ⁽⁴⁾ : POSITION HELD

b) Complete the following table relating to the shareholders holding 20% or more of the voting shares and/or votes (participating and common shares) of each corporation or other legal entity that would, directly or indirectly, control the applicant.

State name of the company to which the following table pertains:							
CAPITAL STRUCTURE AND SHAREHOLDERS							
Shares/Units	Votes	Authorized	Issued	Name of Shareholders ⁽¹⁾ (company: provide jurisdiction) (individual: provide complete home address)	No. Held	% of Votes	Canadian ⁽²⁾⁽⁵⁾ (X)

c) Provide a list of the ownership of the remaining voting shares and/or votes (participating and common shares) not accounted for in b), by class of shares, identifying whether the shares are owned and controlled by Canadians or non-Canadians, if applicable.

Class of Shares	Shareholders	Total Number of Voting Shares	Total Number of Votes	Canadian ⁽²⁾⁽⁵⁾ (X)

Questions 2.5 and 2.6 are to be completed only where the cost of the undertaking exceeds \$100,000.

This undertaking does not exceed \$100,000.

2.5 Specify the funds available to finance the proposed transaction:
 Equity:
 Debt:
 Total:

2.6 a) Specify the individual sources of financing for the funds identified in question 2.5 (for example, Bank loans, share capital, other loans). If any of these persons hold public office, by election or appointment, indicate the office held under the name of the person(s).

SOURCE	\$

b) Where financing is to be provided, in whole or in part, through debt securities, provide the list of proposed debt holders, including names, citizenship or jurisdiction of incorporation (or other form of constitution), designation and description of debt securities held, and the principal amount of each one.

SUPPORTING DOCUMENTS TO BE APPENDED:

- APPENDIX 2A** A copy of all constituting documents (for example, Articles and Certificates of Incorporation, By-Laws, Partnership or Trust Agreement) relating to the applicant and each corporation or other legal entity identified in questions 2.3 and 2.4 (provide draft documents where an applicant is not yet incorporated). If the constituting documents have been filed with the Commission and no changes have occurred since, provide reference to the application that contains the most recent documentation together with a declaration attesting that the information is still accurate and valid as of the date of the filing of the application.
- APPENDIX 2B** A statement regarding who controls/will control the applicant and by what means; if control is to be held by a shareholder company, also advise who controls/will control it and by what means; if applicable, attach all related documents or agreements (for example, Shareholder Agreement, Voting Trust Agreement).
- APPENDIX 2C** If the applicant has delegated or will delegate by contract any responsibility, copies of the contracts (or proposed contracts). If applicable, indicate the legislative authority under which the corporation or other legal entities to such contracts are incorporated or otherwise constituted.
- APPENDIX 2D** Documentation supporting the availability of each source of financing identified in question 2.6 if the cost of the undertaking exceeds \$100,000. (NOTE:
- a) Where funds are to be provided, directly or indirectly, by a third party institution such as a bank, credit union, etc., submit a signed letter on the institution's stationery containing the following information:

"We have examined the financial projections of (Name of applicant) related to the application(s) before the Commission for a licence(s) to provide (type of service) to (location(s)) and we would be prepared to provide financing in the amount of (\$) under the following terms and conditions (specify ALL the terms and conditions), subsequent to a favorable decision by the Commission, for the purpose of providing capital and operating funds related to the undertaking(s)."
 - b) Where funds are to be provided by an individual(s) whether for the purchase of share capital and/or the provision of debt securities, submit a signed statement of net worth from each individual, prepared and notarized within 3 months of the filing of the application.
 - c) Where funds are to be provided, directly or indirectly, by a corporation or other legal entity other than the applicant or institutions in (a) or (b) above, submit the audited financial statement of the entity for its most recently completed year of operation, and interim financial statements for the period ending within six months of the filing of the application.)

3. INDUSTRY CONSOLIDATION AND CROSS-MEDIA OWNERSHIP

3.1 Provide a list of all entities involved in any of the areas listed below, for which any investment (equity and/or debt securities) is held by the applicant, its directors, a corporation which directly or indirectly controls the applicant and any shareholder holding 20% or more of the voting shares and/or votes (participating and common shares) of the applicant.

a) Other CRTC licence holder and exempted undertakings

CHMY-FM	Renfrew
CHMY-FM1	Arnprior
CIMY-FM	Pembroke

b) Daily newspaper

Not applicable

c) Non-daily newspaper or other media publisher

Not applicable

d) Production or distribution of programming material

Not applicable

e) Lessor of property, plant or equipment of applicant

Not applicable

f) Telecommunications company regulated under the Telecommunications Act

Not applicable

g) Company owning securities in any of categories (a) to (f)

Not applicable

4. FINANCIAL OPERATIONS

4.1 Complete the following table for the proposed undertaking for each 12-month period ending 31 August of the proposed license term.

THE FIRST YEAR OF OPERATION WILL BE: 2008

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
REVENUE (after agency commissions)							
(\$000)							
Network							
National	21	31	46	61	72	84	98
Local	474	585	615	703	731	759	788
Other (Specify)							
TOTAL	495	616	661	764	803	844	886
OPERATING EXPENSES							
(\$000)							
Programming	60	62	64	66	68	70	72
Canadian Talent Development	2	2	2	2	2	2	2
Technical	20	20	20	20	20	20	20
Sales, Advertising and Promotion	134	154	165	191	201	211	221
Administration and General	80	85	90	95	100	105	110
TOTAL OPERATING EXPENSES	296	323	341	374	391	408	425
NON - OPERATING EXPENSES							
(\$000)							
Depreciation	17	24	20	17	12	8	4
Interest	6	5	4	3	3	2	1
Other (Specify)							
TOTAL NON-OPERATING EXPENSES	23	29	24	20	15	10	5
TOTAL EXPENSES	319	352	366	394	406	418	431
Estimated pre-tax income (loss)	176	264	295	370	397	426	455
Provision for Income Taxes	44	66	74	93	99	106	114
NET INCOME (LOSS) AFTER TAXES (for broadcasting operations only)	132	198	222	278	298	319	341

4.2 If the application is for an FM station to be operated jointly with an existing AM station, please complete the following table for the AM station as well.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
REVENUE (after agency commissions)							
(\$000)							
Network							
National							
Local							
Other (Specify)							
TOTAL							
OPERATING EXPENSES							
(\$000)							
Programming							
Canadian Talent Development							
Technical							
Sales, Advertising and Promotion							
Administration and General							
TOTAL OPERATING EXPENSES							
NON - OPERATING EXPENSES							
(\$000)							
Depreciation							
Interest							
Other (Specify)							
TOTAL NON-OPERATING EXPENSES							
TOTAL EXPENSES							
Estimated pre-tax income (loss)							
Provision for Income Taxes							
NET INCOME (LOSS) AFTER TAXES (for broadcasting operations only)							

- 4.3 Provide a projected statement of pre-operating costs for the period prior to the commencement of operating and a pro forma statement of changes in financial position relating to the proposed station for each of the first seven years of operation.

Please refer to Appendix 4A.

- 4.4 Provide a detailed listing of all of the basic underlying assumptions upon which the financial projections above have been based.

In establishing all projections, a highly conservative approach has been taken in order to ensure a long-term, financially sustainable enterprise. The majority of the expense projections have been drawn from Statistics Canada Radio and Television Broadcasting 2000 Report (ref: Catalogue No 56-204-XIE). These calculations have been based on averaging expenses in the following FM Radio Station categories:

- Markets with less than 100,000 population
- Markets with less than \$1.25 million in sales
- All Ontario

Sales

Details of the initial sales projections are explained in the Marketing Section #5. Projections of sales from Year 4 through Year 7 have been estimated at a conservative 5% growth rate per annum for budgeting purposes. This is based on figures from Statistics Canada for the years 1997 to 2000 where there was 7% growth per annum for combined radio stations in Ontario. It is our belief that although we may attain 7% per annum growth, it is important to plan conservatively.

Expenses

Programming/Technical/Sales/Administration and General expenses have been budgeted as a percentage of sales based on industry averages attained through Statistics Canada along with experience from the other broadcasting undertakings of MBC. A \$2,000 per year contribution for Canadian Talent Development has been identified and explained in the Supplementary Brief.

Depreciation

Equipment and Leasehold improvements depreciation have been calculated using a 20% straight-line method that reflects the Capital Cost Allowance provisions through Revenue Canada.

Investing Activities

A line item titled, 'Investing for Future Business Growth', has been included to indicate the source of resources for continued broadcasting business expansion.

Technical Leases

Proposed budget numbers include lease costs for both the studio and transmitter site locations. In the line item titled, 'Administration and General', \$12,000 per year has been allocated for studio location. In the line item titled, 'Technical', \$15,000 has been allocated for transmitter/tower rental space.

Accounts Receivable

In establishing Accounts Receivable in the Pro Forma Statement of Changes in Financial Position, the industry average of 50 days turnover was utilized. This coincides with what is now being realized in the other broadcasting undertakings of MBC.

5. MARKETING

5.1 As a basis for revenue calculations, please specify the following:

AVERAGE NUMBER OF COMMERCIAL MINUTES EXPECTED TO BE SOLD PER HOUR IN:	
1 st YEAR	30% (based on 6 minutes per hour 6am - 8pm)
7 th YEAR	60 - 65% (based on 6 minutes per hour 6am - 8pm)
ESTIMATED TOTAL WEEKLY REACH 1 st YEAR, PEOPLE 12 YEARS +	
IN CENTRAL AREA:	3000 (no BBM cell available)
IN FULL COVERAGE AREA:	5000 (no BBM cell available)
ESTIMATED AVERAGE ¼ HOUR RATINGS, CENTRAL AREA, MON – FRI, 1 st YEAR (% Audience)	
06:00 – 10:00	2000 (no BBM cell available)
10:00 – 14:00	1900 (no BBM cell available)
14:00 – 19:00	1800 (no BBM cell available)
19:00 – 24:00	500 (no BBM cell available)

5.2 Please provide quantitative estimates of the population within the service contours, as well as an estimate of the population within the area to which the station's principal marketing activities will be directed:

	3 mV/m CONTOUR (FM) 15 mV/m CONTOUR (AM)	0.5 mV/m CONTOUR (FM) 5 mV/m CONTOUR (AM)	PRINCIPAL MARKETING AREA
Population	40,442	344,046	16,000
Households	16,986	150,790	6,500

5.3 Please identify the sources from which population data has been obtained.

All data for population calculations has been obtained from the Greater Napanee Statistics of the 2001 Census – Stats Canada.

5.4 Indicate to which of the communities the station's principal marketing activities will be directed.

The proposed new FM station will focus marketing activities in the southern portion of Lennox and Addington County primarily in the town of Napanee.

5.5 Provide a description of the methodology, along with the detailed calculations, used to arrive at each source of revenue projected.

Please refer to Appendix 5A.

5.6 Would you accept as a CONDITION OF LICENCE that the undertaking be on air within 12 months of the date of a favorable decision?

YES () NO () if NO, explain.

6. TECHNICAL INFORMATION

Applicants are advised to consult with their broadcast engineering consultants when completing this section, to ensure that it is consistent with the Engineering Brief submitted to Industry Canada.

6.1 a) Have all required technical documents been filed with Industry Canada?

YES (X) NO ()

b) I hereby authorize the Commission to include as part of this application any documents or correspondence filed with Industry Canada with respect to this application.

YES (X) NO ()

If NO, explain.

6.2 Please provide the following technical information:

	PROPOSED OPERATION	NOTE
Frequency	88.7 MHz	kHz for AM MHz for FM
Channel and Class	204 B	
Transmitter power (for AM)		
MAXIMUM ERP – Effective Radiated Power (at beam-tilt angle) (for FM)	11.1 Kw	If no beam-tilt is used, provide ERP in horizontal plane.
Average ERP – Effective Radiated Power (at beam-tilt angle) (for FM)		If no beam-tilt is used, provide ERP in horizontal plane.
EHAAT – Effective Height Above Average Terrain	184.5	FM only
Antenna and Transmitter Site Coordinates	44 ⁰ 08' 30" 77 ⁰ 04' 34"	North Latitude West Longitude
Studio Location(s)	Napanee	City and, where possible, street address
Subsidiary Communications (SCMO)/Subsidiary Data	X	
Programming Feed Method(s)	STL	Satellite, microwave, fibre optic cable, other (specify)
For Rebroadcasting Stations, identify station rebroadcast		Call Letters Frequency Location

6.3 Provide the following information regarding capital costs and facilities:

	Cost of Assets to be purchased (\$)	Value of Assets to be leased (\$)	Annual Lease (\$)
Studio Plant	48,000		
Transmitting Plant	30,000		
Contingency Allowance	15,000		
TOTAL	93,000		

SUPPORTING DOCUMENTS TO BE APPENDED:

APPENDIX 6A A clearly legible copy of the maps required in the Engineering Brief submitted to Industry Canada, and which show the proposed coverage contours. In case of proposal for a conversion from AM to FM, provide a comparison of the 5 mV/m AM contour with the 0.5 mV/m FM contour and of the 15 mV/m AM contour with the 3 mV/m FM contour. The Commission encourages you to submit your proposed coverage area contours in a geographical information system (GIS) compatible file format (for example, .mid/.mif, .tab, .dxf, .dwg, .e00, .shp, .dgn). Also provide the map datum and projection used. This file can be submitted electronically or on a diskette.

APPENDIX 6B Documentation supporting the availability of the proposed transmitter site(s).

7. PROGRAMMING

AM OR FM UNDERTAKINGS

7.1 LANGUAGE(S) OF PROGRAMMING

- a) The principal language of programming will be: **English**
- b) Other languages of programming: **N/A**

	Minimum per Broadcast Week	
	Hours: Minutes	%
Aboriginal Canadian Languages	2 HOURS	1.5%
Other Languages		

If the station will devote 15% or more of the broadcast week to ethnic programming, complete questions 7.9 to 7.12.

7.2 CANADIAN TALENT DEVELOPMENT

Please refer to Appendix '7A'

The applicant undertakes to accept, as a **CONDITION OF LICENCE**, to participate in the Canadian Talent Development Plan created by the Canadian Association of Broadcasters as set out in Public Notice CRTC 1995-196 dated 17 November 1995, as amended from time to time and approved by the Commission.

YES () NO (**X**)

If **NO**, the applicant undertakes to accept as a **CONDITION OF LICENCE**, to devote a **MINIMUM** of \$ **2,000** /year in direct contributions to the development of Canadian talent. Provide details of the initiatives proposed (refer to Public Notice 1990-111 for a list of initiatives generally accepted by the Commission).

If it is proposed to **EXCEED** the minimum requirements of the Plan, the applicant undertakes to accept as a **CONDITION OF LICENCE**, to devote a **MINIMUM** of \$ /year in direct contributions to the development of Canadian talent. This amount is **IN ADDITION TO** the amount set out in Public Notice CRTC 1995-196. Provide details of the initiatives proposed.

7.3 CULTURAL DIVERSITY

Please refer to Appendix '7B'

The Commercial Radio Policy (1998-41) "encourages broadcasters to reflect the cultural diversity of Canada in their programming and employment practices, especially with respect to news, music and promotion of Canadian artists."

Recognizing that the means to address issues related to cultural diversity in radio will be highly dependent on a station's particular format, describe measures you will be taking to incorporate and reflect the reality of Canada's cultural, ethnic, racial and Aboriginal diversity, in the following areas:

- employment practices
- news
- music
- promotion of Canadian artists

7.4 INDUSTRY CODES

The applicant undertakes to accept, as **CONDITIONS OF LICENCE**, to adhere to the following codes during all hours of broadcast:

- a) The Canadian Association of Broadcasters' (CAB) Broadcast Code for Advertising to Children (Public Notice CRTC 1993-99 dated 30 June 1993), as amended from time to time and approved by the Commission.

YES (**X**) NO ()

If NO, provide reasons.

- b) The CAB's Sex-Role Portrayal Code for Television and Radio Programming (Public Notice CRTC 1990-99 dated 26 October 1990), as amended from time to time and approved by the Commission (to be suspended as long as the licensee is a member in good standing of the Canadian Broadcast Standards Council).

YES (**X**) NO ()

If NO, provide reasons.

AM UNDERTAKING

7.5 LOCAL PROGRAMMING

The definition of "local programming" shall be as set out in Public Notice 1993-38 (19 April 1993), as amended from time to time.

- a) Minimum level of LOCAL PROGRAMMING: _____hrs. _____ mins. each broadcast week.
- b) As outlined in the Local Programming Policy, describe the manner in which spoken word material of direct and particular relevance will be provided to the community served.

FM UNDERTAKING

7.6 LOCAL PROGRAMMING

The definition of "local programming" shall be as set out in Public Notice 1993-38 (19 April 1993), as amended from time to time.

- a) Is the proposed station located in a single station market as defined in Public Notice CRTC 1993-121 dated 17 August 1993?

YES () NO (X)

If NO, the applicant undertakes, by **CONDITION OF LICENCE**, to refrain from soliciting or accepting local advertising for broadcast during any broadcast week when less than one third of the programming aired is "local".

YES (X) NO ()

If NO, provide reasons.

- b) As outlined in the Local Programming Policy, please describe the manner in which spoken word material of direct and particular relevance will be offered to the community served.

7.7 STATION FORMAT

The applicant undertakes, by **CONDITION OF LICENCE**, to operate within the Specialty format, as defined in Public Notice CRTC 1995-60 dated 21 April 1995 and amended in Public Notice CRTC 2000-14 dated 28 January 2000, or as amended from time to time.

YES () NO (**X**)

A private commercial FM station is considered as operating in the Specialty format if it meets one or more of the following criteria. If response to the above is YES, please indicate the Specialty format proposed:

- () the language of broadcast is neither English nor French;
- () more than 50% of the broadcast week is devoted to Spoken Word;
- () less than 70% of the music broadcast is from Category 2 (Popular Music) as defined in Public Notice CRTC 2000-14 dated 28 January 2000. In this case, the applicant undertakes, by **CONDITION OF LICENCE**, to broadcast the following:

MUSIC SUB-CATEGORY BREAKDOWN - SPECIALTY FORMATS		
MUSIC SUB-CATEGORY	DESCRIPTION	MINIMUM % OF TOTAL MUSIC
21	Pop, Rock and Dance	
22	Country and Country-Oriented	
23	Acoustic	
24	Easy Listening	
31	Concert	
32	Folk and Folk-Oriented	
33	World Beat and International	
34	Jazz and Blues	
35	Non-classic Religious	

7.8 HIT MUSICAL SELECTIONS (ENGLISH LANGUAGE STATIONS ONLY)

The applicant undertakes, by **CONDITION OF LICENCE**, to broadcast a maximum level of **49%** each broadcast week of HIT MATERIAL, as defined in Public Notice CRTC 1997-42 dated 23 April 1997, as amended from time to time.

ETHNIC PROGRAMMING OR UNDERTAKINGS

- Applicants proposing to devote 15% or more of the broadcast week to ethnic programming must respond to questions 7.9 to 7.12.
- Applicants proposing to operate an ethnic station must also respond to these questions.
- Applicants are reminded to refer to the Ethnic Broadcasting Policy in Public Notice CRTC 1999-117, and consequent amendments to the Radio Regulations, 1986, set out in Public Notice CRTC 2000-92.

- 7.9** In Public Notice CRTC 1999-117, the Commission stated that the primary responsibility of over-the-air ethnic radio and television stations should be to serve and reflect their local community and stated that "ethnic broadcasters would be expected, at the time of licensing and renewal, to provide plans on how they will reflect local issues and concerns during the terms of their licences."

Provide your plans relating to the above and indicate how you will subsequently evaluate your progress.

- 7.10** As set out in Public Notice CRTC 1999-117, the Commission will set, by condition of licence, the minimum number of ethnic groups that each ethnic radio television station must serve and the minimum number of languages in which it must provide programming. The minimum number of distinct groups that a station must serve is established on the basis of the demographics of the community, the services already available and the degree of support shown by local community organizations. In addition, the Commission stated that it will also weigh the ability of ethnic stations to provide appropriate amounts of quality programming to these groups and that it will evaluate how this broad service requirement is met in light of the ethnic programming available from all stations in the market.

Provide your commitments in this area, keeping in mind that they may be imposed as conditions of licence.

- 7.11** The policy set out in Public Notice CRTC 1999-117 also noted that in the area of Canadian talent development (CTD), the Ontario Arm of the Canadian Association of Ethnic Broadcasters (CAEB) made a commitment that each of its member ethnic radio stations would contribute \$3,000 per year per station for three years to establish a catalogue of Canadian ethnic recordings.

Outline your plans in this area and whether this contribution should be in addition to or a part of, your station's annual CTD condition of licence.

- 7.12** Complete the following table relating to the broadcasting of ethnic and third-language programming.

Please note that a "broadcast week" refers to the total number of hours devoted to broadcasting during the 126-hour period extending from 6:00 a.m. to midnight, for seven consecutive days beginning on Sunday. Percentages should be based on the total number of hours of programming broadcast by the station in a broadcast week (that is, the total number of hours of programming by the station in a broadcast week may be less than or equal to 126 hours).

Please note that ethnic programming means programming provided in any language, that is specifically directed to any culturally or racially distinct group other than one that is Aboriginal Canadian or from France or the British Isles. Ethnic programming may be in English, French, a third-language or a combination of languages. Third-language programming means ethnic programming in languages other than French, English or those of Aboriginal Canadians.

In determining the languages of ethnic programming, DO NOT consider music, advertising, station contests and community and emergency messages during a particular ethnic program. However, in calculating the actual duration of each program, those elements must be counted.

Language in which ethnic programming is provided	Ethnic group to which it is directed	Total duration of this programming per broadcast week (hours:minutes)	% of the total programming provided during each broadcast week that is devoted to this type of programming
% of the total programming provided during the broadcast week that is devoted to ETHNIC PROGRAMMING			
% of the total programming provided during the broadcast week that is devoted to THIRD-LANGUAGE PROGRAMMING			

8. EMPLOYMENT EQUITY

Information relating to employment equity is available in Public Notices CRTC 1992-59 and 1997-34.

- 8.1 If the proposed undertaking is approved, would the licensee be subject to the 1996 Employment Equity Act (applicable to federally-regulated employers with 100 or more employees)?

YES () NO (X)

If YES, proceed to section 9, "On-air Presence". If NO, proceed to question 8.2.

- 8.2 If the undertaking is approved, would the licence be held by a licensee that already holds one or more broadcasting licence(s)?

YES (X) NO ()

If YES, proceed to question 8.3. If NO, proceed to question 8.7.

- 8.3 Outline examples of any measures (including hiring and training, apprenticeship programs, work arrangements, etc.) that you have or will put in place for the designated groups (women, Aboriginal peoples, persons with disabilities and visible minorities).

Napanee and area is a rural environment. The Stats-Canada Community Profiles for 2001 suggest that of the 15,132 population for Greater Napanee, only 210 are classified as "Visible Minority Population", as such it may be difficult to find local staff that fit the "Visible Minority" designation. That being said, it is the intention of MBC to be an "equal opportunity" employer to all designated groups and that the staff will be an equal mix of men and women. Our commitment to this can be seen in our Renfrew and Pembroke operations, CHMY-FM & CIMY-FM, where the full-time staff is made up of 13 people, 6 of whom are female.

One of the reasons for developing our Interactive Involvement Program is to welcome people from all walks of life to come to the radio station and "get involved". This may uncover interested people from the designated groups with an interest in broadcasting that we could further train and groom to join the staff.

Our intention is to ensure that office space in which we occupy will be wheel chair accessible.

QUESTIONS 8.4 TO 8.6 -- APPLICABLE IF BETWEEN 25 AND 99 EMPLOYEES ONLY:

- 8.4 How do you or will you communicate details of your employment equity policies to managers and staff?

- 8.5 Have you assigned or will you assign a senior level person to be responsible for tracking progress and monitoring results?

YES () NO ()

If YES, what authority does or will that person have to ensure goals are achieved?

- 8.6** What financial resources have you or will you put in place to promote employment equity in the workplace (for example, funds for daycare, access for persons with disabilities, etc.)?

QUESTIONS 8.7 AND 8.8 -- APPLICABLE IF RESPONSE TO QUESTION 8.2 IS "NO"

- 8.7** To what extent will the proposed undertaking address the equitable representation of the four designated groups (women, Aboriginal peoples, persons with disabilities and visible minorities)?

- 8.8** Does the proposed undertaking have an employment equity (EE) plan?

YES () NO ()

If YES, please describe the principal measures proposed to recruit and assist members of the four designated groups (for example, work arrangements, apprenticeship or training programs, career counselling, etc.).

If NO, please provide a statement indicative of your commitment to develop and implement an effective EE plan.

9. ON-AIR PRESENCE

Information relating to on-air presence and voice-overs is available in Public Notices CRTC 1994-69 and 1995-98.

25 OR MORE EMPLOYEES ONLY:

- 9.1** If the undertaking is approved, would the licence be held by a licensee that already holds one or more broadcasting licence(s)?
YES () NO ()
- 9.2** Outline policies and procedures in place, or plans in this regard, to ensure the representation of members of the four designated groups in on-air positions, including voice-overs, where applicable. These policies, procedures and plans should include references to programs produced by the applicant, as well as to acquired programming and advertising.

BOOK OF SUPPORTING DOCUMENTS

APPENDIX NUMBER AND NAME		APPENDED (Yes or No)	E-FILED (Yes or No)
SECTION 1: GENERAL INFORMATION			
1A	Supplementary Brief	Yes	No
SECTION 2: OWNERSHIP			
2A	Constituting Documents (or drafts)	N/A	No
2B	Statement on Control of Applicant	N/A	No
2C	Delegation of Responsibility by Contract	N/A	No
2D	Documentation Supporting Availability of each Source of Financing	N/A	No
SECTION 6: TECHNICAL INFORMATION			
6A	Maps - Proposed Coverage Contours	Yes	No
6B	Documentation - Availability of Proposed Transmitter Site(s)	Yes	No

APPENDIX

Appendix 1A

SUPPLEMENTARY BRIEF

APPLICATION TO OPERATE AN FM – RADIO STATION TO SERVE NAPANEE, ONTARIO

A. Introduction

This application by My Broadcasting Corporation (MBC) is being filed to obtain a license to broadcast a new FM radio station to serve listeners in Greater Napanee and the surrounding Townships of Loyalist, Stone Mills, Tyendinaga, Deseronto and the eastern portion of Prince Edward County.

We propose to launch a new FM radio station at 88.7 MHz with a unique blend of music, local flavour and local news to serve adults ages 18 – 64. The sound would be locally driven content and information with an adult-contemporary/middle of the road music blend.

Our new FM radio station will:

- 1) Directly focus on the needs and interests of listeners of Napanee and surrounding area by offering a much needed alternative to the out-of-market radio stations.
- 2) Create a Napanee radio market by repatriating listeners to the local radio station.
- 3) Make a contribution to local and regional Canadian Talent development through direct expenditures. As well, by providing on-air exposure of local artists through a specific program highlighting their music and upcoming performances.
- 4) Expand choice and diversity for local listeners for local news, weather, sports and community events.
- 5) Help create more awareness of the First Nation Community by offering airtime to the Community for a locally produced program, “Kwe-Kew”.
- 6) Support and assist the further growth of the Town of Napanee through a corporately demonstrated commitment to the communities served by MBC.
- 7) Provide immediate communication for the Napanee and Area emergency response system.

The following pages of the Supplementary Brief will set out in greater detail the reasons why the approval of this application will be in the best interest of the public, and support the objectives of the Commission’s commercial radio broadcasting policy.

B. The Napanee Market

As the commercial hub of the Southern Portion of the county of Lennox & Addington, the town of Napanee is located strategically on Highway 401 halfway between Toronto and Montreal, and midpoint between Toronto and Ottawa. Greater Napanee is a mix of rural heritage and urban opportunity and a history rooted in the Loyalist migrations and the boom economies of the 19th and early 20th century logging and shipping.

The residents of Napanee enjoy the relaxed atmosphere of a relatively small community yet have easy access to the resources and opportunities available in the nearby cities of Belleville and Kingston. Over 30,000 people live within easy traveling distance to Napanee and most do business in town on a regular basis. The population of the area the proposed new FM radio station will serve is greater than 40,000¹, with over 15,000 living in Napanee.

There are a number of licensed AM and FM stations that broadcast to Napanee; however, there is currently no local/daily voice. These out of market stations all cover their central target areas of Kingston and Belleville very well; however, Napanee media coverage is only limited to major news stories and limited community announcements.

C. Radio Market Overview

Napanee is currently only served by out-of-market, commercial radio stations from Kingston and Belleville. The majority of the most listened to stations in Napanee are owned by the key Canadian radio broadcasting companies of CHUM and Corus Entertainment as well as out of country stations from the U.S. The mix of stations from Kingston and Belleville provide formats which include, Soft A/C, Hot A/C, Top 40, Classic Rock, Oldies and Country. All information, such as News, Sports, Weather, Community Events and bus cancellations provided by these radio stations are focused on their primary target market of Kingston and Belleville.

In order to confirm the demand for the proposed New FM service and to show how it will increase diversity in the Napanee market, MBC contracted Tubman Marketing Inc. to perform a Market Study.

Tubman Marketing, an independent company, conducted a study during the week of March 20th, 2006 to study the radio listening habits of the Town of Napanee. Tubman Marketing has a great deal of experience conducting similar surveys for a variety of national and regional businesses.

The report suggests that there is indeed room for a New FM station in the Napanee marketplace. The two salient points from this report are that 67% of those surveyed indicated that they get their local news and information from TV, newspaper and sources other than radio. Although 55% of those interviewed could not identify an A/C radio station, 62% of those surveyed preferred to listen to stations whose music library contained many adult contemporary artists. (Please refer to the complete Tubman report in Appendix 5B)

Based on these findings it has been determined that a unique blend of adult-contemporary/middle of the road music combined with locally driven content will provide the base for a sustainable, commercial radio undertaking for Napanee.

¹ Based on Municipal Statistics of the 2001 Census

D. The Application

Our new FM radio station will:

- **Increase choice and diversity for local listeners** – Our locally driven format will directly address local news, local sports, weather, community events and promote local talent. We will provide a much-needed local alternative to the out-of-market radio stations.
- **Repatriate local listeners** – Our station will help grow the Napnee Radio Market.
- **Connect local listeners to their community** – Local surveillance information (news, weather and traffic) along with coverage of events and activities of Napanee and area schools, local government as well as charities will be woven into our music programming each hour. A full news package will be broadcast each half-hour throughout peak listening periods.
- **Make a contribution to local talent** – Our station will help promote local talent through a planned, weekly hour-long feature highlighting the talents of local musicians. We also plan to be active in direct contributions to supporting local Canadian talent through the donation of \$2,000 per year to organizations such as the Annual Napanee Fair and the Celtic Festival.
- **Napanee Broadcasting Council** – We plan to establish a council made up of local citizens of all ages to help keep us connected with local issues, concerns and to provide us with feedback on our programming and community efforts.
- **Interactive Involvement** – We plan to establish a program that will invite volunteers from all walks of life to come and learn about their radio station. This will not be used to “staff” the station, merely to give local people the ability to be “involved”.
- **Emergency Response** – Our station will provide area listeners with immediate access to information should a crisis situation take place in our coverage area.

E. MBC (My Broadcasting Corporation) Radio History

Since the inception of MBC, the main goal has been to “super-serve” the communities in which we broadcast. This mandate includes all aspects of the radio station – music, news, weather, sports and community events. We are committed to Canadian artists by voluntarily playing 38% Canadian Content and supporting local groups who promote Canadian Talent with cash donations. Further to our commitment, MBC managed to secure, pay and promote two major local concerts with Canadian Music Legends. In November of 2004 we hosted the Irish Rovers and in November 2005 we hosted Glass Tiger.

In August of 2004, **96.1 myFM**, launched in Renfrew, serving the mid-eastern portion of Renfrew County. This new station became an instant hit with listeners and businesses and serves up daily news, weather and sports plus more music variety. Our unique, locally driven approach has been well received by local businesses as our annual forward billings are already over-performing the forecasts. The strong local content and programming elements have created a real buzz across the Ottawa Valley.

In September of 2005, **104.9 myFM**, launched in Pembroke, serving the western portion of Renfrew County. History is repeating itself as the Pembroke station is also over-performing our forecasts. The same unique, locally driven approach has been well received by local businesses and we are continually creating innovative programming that has been termed ‘a breath of fresh air’ by many listeners.

In February of 2006, **104.7 myFM**, (a repeater of the Renfrew signal), launched in Arnprior to serve the most eastern portion of Renfrew County. The fundamental rationale for this repeater became apparent when the 96.1 signal was somewhat weak in its ability to get reach listeners in the Arnprior area. Again, the locally driven approach is being well received by local businesses in this community with leaders expressing tremendous support for the coverage being offered.

These radio stations are conforming exceedingly well with the staple of the corporate strategy of MBC, which is to *‘create locally programmed radio stations with a direct focus on the community, service to clients, commitment to staff members and the pursuit of excellence through innovation, and enthusiasm’*.

Since launching these two radio stations in the Ottawa Valley over the past 18 months, MBC has been the recipient of many accolades from numerous community partners including:

- Renfrew County District School Board/Kiwanis Spelling Bee
- Renfrew Mental Health Literacy Class
- National Farmers Union/Renfrew County
- Rotary Club of Renfrew
- Columbus House – Pembroke
- Renfrew Victoria Hospital Foundation
- First Renfrew Scout Troop
- Pembroke Department of Economic Development, Recreation and Tourism
- Pembroke Waterfront Festival
- Friends of Disabled/Sunshine Coach – Renfrew
- Municipality of Clarendon
- Corporation of the Town of Renfrew – Canada Day
- St. Joseph’s High School Reunion Committee
- Tim Horton’s Camp Day
- Renfrew Jr. “B” Timberwolves
- Renfrew Legion Youth Education Committee
- Renfrew and Area Seniors’ Home Support
- Renfrew and District Food Bank
- Etc.

As well, MBC was the recipient of the Renfrew & Area Chamber of Commerce 2005 President's Award. This brand new award is given to an organization that displays an exceedingly positive contribution to the community.

The community recognition also falls in with another fundamental component of the MBC corporate strategy. That is: *'...that each MBC station will be committed to being **the** local institution that always supports any group that is working to improve the community or local business environment. We expect to win Chamber Awards, garner local and regional government acknowledgement and receive hundreds of "thank-you" cards every year from non-profit groups, schools, local government, listeners and advertising partners.'*

This corporate culture will be instituted in the Napanee undertaking.

MBC is owned and operated by Jon Pole and Andrew Dickson of Renfrew, Ontario. Both owners have been strong supporters of their community with leadership rolls in many municipal and community organizations. As an indication of the commitment to the radio industry they have become involved in radio-oriented organizations. Jon has been a member the 'Small Market' committee of the CAB and Andrew was on the CAB 'Radio Government Affairs Advisory Group' as well as on the Algonquin College Radio Broadcasting Advisory Committee. Both owners are members of the Ontario Independent Radio Group.

Independently, both Jon and Andrew have gained critical experience in business by owning and operating other businesses and, together, have been successfully operating 96.1 myFM – Renfrew, 104.9 myFM – Pembroke and 104.7 myFM – Arnprior.

Important Note:

It is important to indicate that neither Jon Pole nor Andrew Dickson will be looking to use this radio station as a primary source for their personal income. It is firmly believed that the business and broadcast experience of the owners will make this project feasible and financially viable. The purpose of this venture is driven by a passion for radio and for the strength, support and difference a local radio station can make to a community such as Napanee.

E. Staffing

It is estimated that the staff will consist of 4 full-time employees and 2 part-time employees. The staffing would be as follows:

- 1 – On-Air Announcer/Production/Promotions
- 1 – On-Air News/Reporter
- 2 – Sales
- 1 – Part-time Announcer
- 1 – Part-time News/Reporter

It is our intent that this staff be hired from the Napanee area.

Conclusion

It is believed that the approval of this application for a new FM radio station in Napanee will benefit local listeners and contribute to the achievement of the objectives of the Commission.

Our proposed new station will:

- 1) Create a new local choice and increase diversity by offering a new local alternative to “out of market” stations.
- 2) Repatriate listeners to a locally based radio station.
- 3) Diversify radio ownership in the market place by offering an additional ownership group with strong local broadcast and business experience.
- 4) Increase community awareness of local news, local sports, business and events throughout the Napanee area.
- 5) Make a contribution to local Canadian music talent through direct contributions and on-air exposure and support.
- 6) Help create more awareness of the First Nation Communities with the locally produced program, “Kwe-Kew”.
- 7) Create employment opportunities in the Town of Napanee.
- 8) Improve the Emergency Response System for the area.
- 9) Benefit from the business and broadcast experience and community knowledge of the applicants.

For all these reasons, it is believed that the approval of this application would be in the public interest.

Appendix 2A

All constituting documents for MBC (My Broadcasting Corporation) are currently in the possession of the CRTC associated with the FM radio license for CHMY-FM, Renfrew (appl. 2003-0476-7 - Decision CRTC 2004-147

The constituting documents currently in the possession of the CRTC are hereby declared to be the most recent and that the information contained in these documents are still accurate and valid as of March 15, 2006.

Appendix 4A

Provide a projected statement of pre-operating costs for the period prior to the commencement of operating and a pro forma statement of changes in financial position relating to the proposed station for each of the first seven years of operation.

Projected Statement of Pre-operating Costs

Fixed Assets	
Transmitter/Antenna	\$30,000
Studio Equipment	\$19,000
Communication Equipment	\$14,000
Leasehold Improvements	<u>\$15,000</u>
	\$78,000
Other Start-up costs	<u>\$15,000</u>
	<u>\$93,000</u>

Pro Forma Statement of Changes in Financial Position

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Operating Activities							
Net Income (loss)	132	198	222	278	298	319	341
Items not involving cash							
Amortization	17	24	20	17	12	8	4
	<u>149</u>	<u>222</u>	<u>242</u>	<u>294</u>	<u>310</u>	<u>327</u>	<u>346</u>
Changes in non-cash components of working capital							
Accounts Receivable	(68)	(84)	(91)	(105)	(110)	(116)	(121)
Accounts Payable	8	8	8	8	8	8	8
Inventory	0	0	0	0	0	0	0
	<u>89</u>	<u>146</u>	<u>159</u>	<u>198</u>	<u>208</u>	<u>220</u>	<u>232</u>
Investing Activities							
Acquisition of tangible capital assets	(80)	0	(25)	0	0	(5)	0
Investments for future business growth	0	(25)	(75)	(75)	(100)	(125)	(125)
	<u>(80)</u>	<u>(25)</u>	<u>(100)</u>	<u>(75)</u>	<u>(100)</u>	<u>(130)</u>	<u>(125)</u>
Financing Activities							
Long-term borrowings	85	0	25	0	0	0	0
Repayment of long-term borrowing	(12)	(12)	(18)	(18)	(18)	(18)	(12)
	<u>73</u>	<u>(12)</u>	<u>7</u>	<u>(18)</u>	<u>(18)</u>	<u>(18)</u>	<u>(12)</u>
Cash Increase	82	109	66	105	90	72	95
Cash, Beginning of Year	0	82	190	257	361	451	523
Cash, End of Year	<u>82</u>	<u>190</u>	<u>257</u>	<u>361</u>	<u>451</u>	<u>523</u>	<u>618</u>

Appendix 5A

Marketing

The proposed new FM station for Greater Napanee will allocate 6 minutes per hour from 6am-8pm for “advertising sales”. This will represent approximately 61,100 – 30 second units available per year.

Our experience launching stations in markets the size of Greater Napanee suggests it is reasonable to forecast selling a minimum of 30% of the available airtime in YEAR 1 and we project that by YEAR 7 to sell 60-65%. The average unit rate for YEAR 1 will be \$30.00 and plan to progress to \$37.00 by YEAR 7.

These four areas of research support our Sales Projections:

- i. Greater Napanee Retail Sales and Projected Retail Sales.
- ii. Market-Size Radio Sales and Evaluation Experience.
- iii. Canadian Radio-Television Commission Report.
- iv. Impact on existing media.

Comparing and crosschecking the results of these four areas give credence that the projections for the Greater Napanee market are realistic and achievable.

Greater Napanee Retail Sales:

Canadian Demographics Report 2004 published by the Financial Post indicates the following:

Retail Sales are 5% higher than the National Average.
Retail Sales for 2004 were \$169,050,000.
Projected Retail Sales for 2006 will be \$180,050,000.
Projected Retail Sales for 2009 will be \$200,180,000.

The Retail Council of Canada uses 3% of sales as an average a business will spend on advertising. This translates to \$5,071,500 based on the 2004 numbers.

According to Industry Canada, 12% of ad spending in Canada is on radio. This translates to \$608,580 available in the Greater Napanee market. With this in mind, the forecast of \$495,000 for YEAR 1 is realistic.

Market-Size Radio Sales and Evaluation Experience:

In August 2004, MBC launched CHMY-FM in Renfrew, Ontario. Renfrew is a market that is quite similar to Greater Napanee in both size and business environment. Our evaluation of the Renfrew market proved to be highly accurate. We used the same formula for our Pembroke station CIMY-FM that launched in August of 2005, and to date the projections are proving to be true. We have used the same formula for Greater Napanee.

Mr. Jon Pole (President of MBC) has spent the past 15 years working in local direct radio and specifically radio sales. Throughout his career, he has had to analyze and project radio revenue for many radio broadcasters. These same formulas were used to help build the forecasts for Greater Napanee.

MBC is a radio company that specializes in serving radio markets of 10,000-15,000 in population. Since 2003, we have worked to develop a “sales system” that, if followed, will create “predictable outcomes” in served markets.

In 2005, MBC began working with e-Myth Worldwide, a company that specializes in “systemizing” companies. Through this process, we now have a detailed formula/system in which the staff are trained, so we have greater control of local sales, customer service satisfaction and company profitability.

Canadian Radio-Television Commission Report

The forecasts for National Airtime Sales are based on MBC experience in smaller, local radio markets, and a cross-reference of the industry average for FM stations in Ontario for accuracy.

The Private Radio Statistical and Financial Summary 1997-2001² reports that for FM radio stations in Ontario, approximately 30% of sales are from “National” airtime sales. Our forecast for YEAR 1 represents less than 6% of total airtime sales and by YEAR 7 approximately 11%. As Greater Napanee is not an established “National” market, it is realistic that the market performance will be less than the industry average.

Based on the growth of the Greater Napanee area, the strong retail sales and projected retail sales, and the proven performance of the applicants in similar sized markets, the financial forecasts for both local and national are more than attainable and realistic.

Impact on Existing Media

It is estimated that the source of Year 1, advertising revenue will impact existing local media in the following manner:

Radio	15%
Newspaper	35%
Yellow Pages/Other	25%
New / Non Advertisers	20%
Television	5%

² Private Radio 1997-2001, INDUSTRY STATISTICS AND ANALYSIS BROADCAST BRANCH - CRTC

Appendix 5B

TUBMAN REPORT



March 24, 2006

My Broadcasting Corporation
321 Raglan Street South
Renfrew, Ontario
K7V 1R6

Attention: Mr. Andrew Dickson & Mr. Jon Pole

Dear Andrew and Jon,

On March 21st and 22nd, we conducted a telephone survey of Napanee and Area residents. 78 surveys were completed from a population of approximately 15,000 people.

Using 6 scripted questions; we compiled data on the following:

- Listener age
- Listener sex
- Station awareness by music format
- Present station preference
- Sources of local news from all medias
- Satisfaction with current access to local information

Key results from the surveys of respondents include:

- 45% could identify an adult contemporary station
- 62% prefer listening to stations that play adult contemporary artists
- Listeners do not appear loyal to anyone station, choosing to listen to multiple stations throughout the day
- 45% are not satisfied with their access to local news
- 67% get their local news from sources other than radio
- 41% of listeners are 25 to 54 years of age

Some themes expressed by Respondents in unsolicited comments:

- There is no local radio station
- Coverage of local news by the weekly newspaper is good but not timely
- Radio and TV news is primarily oriented to Kingston or Belleville. Napanee events rarely covered
- Radio reception is poor near the water

Overall, we feel that a Napanee based radio station providing Adult Contemporary music that is focused on local news would be well accepted by Listeners in the Napanee area.

If you have any questions regarding our research, please do not to contact me directly.

Yours truly,

A.J. Kent Tubman
TUBMAN Marketing Inc.

368 McAndrew Ave, Renfrew, Ontario K7V 3X5
613-433-9000 Phone 613-433-9228 Facsimile
greatideas@tubmanmarketing.com

Telemarketing Survey

Purpose

To survey residents in the Napanee area to determine:

- Listener age
- Listener sex
- Station awareness by music format
- Present station preference
- Sources of local news
- Satisfaction with current access to local information

Methodology

Generation of Calling List

A computerized telephone database was utilized to randomly select residences with a Napanee mailing address.

Calls were made sequentially beginning at the top of the list.

“No answers” were noted with the intent to attempt a second call after going through the list once. Second calls not required since we exceeded our target sample size before the end of the list.

Telemarketing Script

A script was developed that included:

- An opening introduction of the Caller and TUBMAN Marketing Inc.
- The purpose of the call
- A request to continue with the call
- 6 scripted questions
- Thanks to the Respondent for participating

Attention was paid to asking the same questions of each person to ensure comparable data.

The gender of the person and any additional comments were noted for each call.

If at any time during the call the Respondents asked which radio station we were surveying for, we told them we would share that information at the end of the call. No one asked for this information.

Generally, people were interested in completing the survey. It seemed that radio was an important part of their lives.

Napanee Telemarketing Survey

Hello, my name is Kent Tubman and I am completing some research on radio stations.

I wonder if you can help me by answering 6 quick questions.

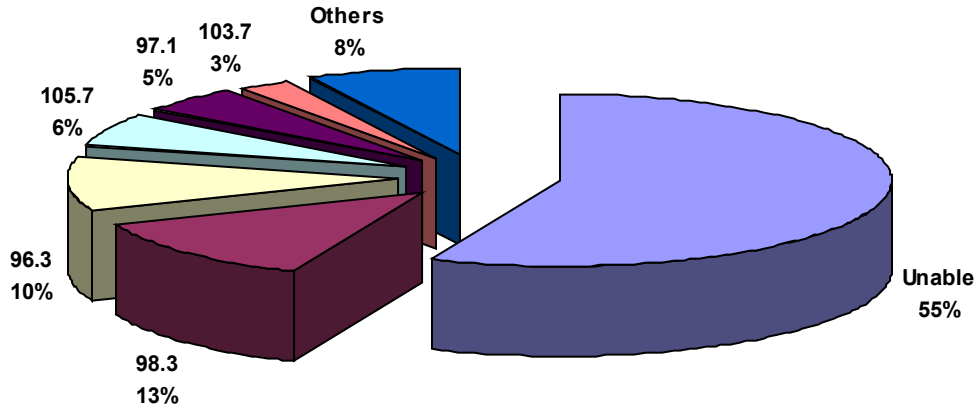
1. On what radio station can you hear artists like Billy Joel, Rod Stewart, Cher and Avril Lavigne
2. On what radio station can you hear artists like Garth Brooks, Tim McGraw, Kenny Chesney and the Dixie Chicks?
3. What radio station is your “at work” or daytime choice?
4. Where do you get your news on local issues and information specifically about Napanee and area?
5. In your opinion, is there enough access to local information in the Napanee area?
6. Please tell me the age group you fit in: 12-24 25-54 54+

Note whether person is Male or female

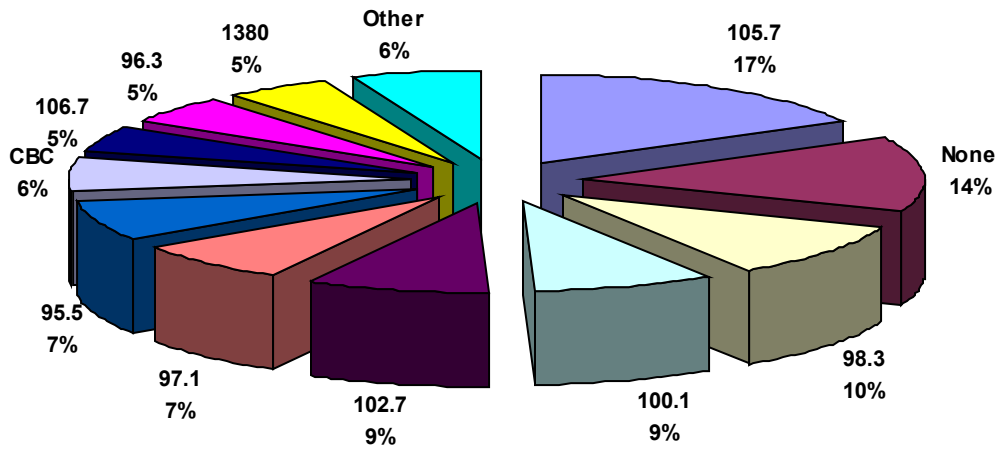
You have been a big help – Thank you for your time.

368 McAndrew Ave, Renfrew, Ontario K7V 3X5
613-433-9000 Phone 613-433-9228 Facsimile
ktubman@tubmanmarketing.com

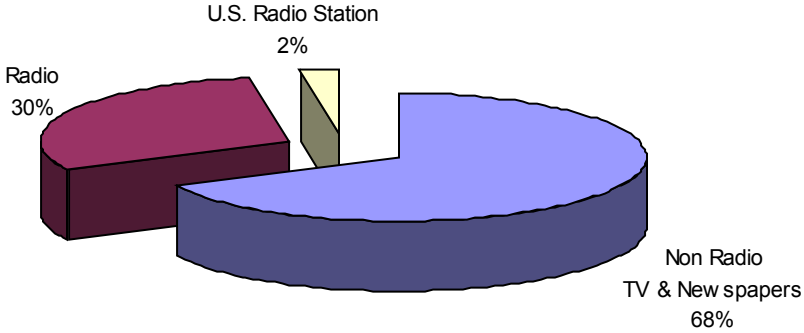
Ability to Identify Adult Contemporary Stations



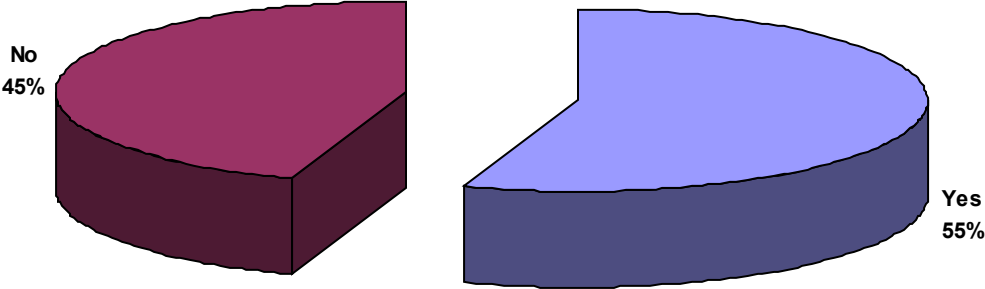
Daytime Radio Choice



Local News Source



**Is there enough access to local information?
All Medias Included**



Appendix 6A

ENGINEERING BRIEF

For New FM Station Napanee, Ontario

Channel: 204B

Frequency: 88.7

Effective Radiated Power: 11.1 kW Maximum
5.0 kW Average

Effective Height Above
Average Terrain: 184.5M

Applicant: MBC (My Broadcasting Corporation)

Consultant: D. H. MaCaulay, P.Eng.

Date: March 2006

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- X. COVERAGE CONTOURS
- XI. R.F. ENERGY EXPOSURE
- XII. INTERFERENCE TO AERONAUTICAL FACILITIES
- XIII. EXPIRY DATE
- XIV. QUALIFICATIONS

APPENDIX I: SUMMARY OF EQUIPMENT

FIGURE 1: PROPOSED TRANSMITTER SITE AND 100 DBU CONTOUR

FIGURE 2: ESTIMATED COVERAGE CONTOURS

FIGURE 3: TRANSMITTING ANTENNA ELEVATIONS

FIGURE 4: ANTENNA HORIZONTAL PATTERN

FIGURE 5: ANTENNA VERTICAL PATTERN

FIGURE 6: BLOCK DIAGRAM

SUMMARY SHEET

Applicant:	My Broadcasting Corporation (MBC)
Station Location:	Napanee, ON
Station Call Sign:	NEW
Antenna Co-Ordinates:	N. Lat. 44° 08' 30" W. Long. 77° 04' 34"
Transmitter Power:	5.0 Kw. (7.0 dbk)
Line Efficiency:	66% (-1.8 db)
Antenna Power Gain:	3.36 x (5.26 dbd) Maximum 1.52 x (1.8 dbd) Average
Effective Radiated Power:	11.1 Kw. Maximum / 5 Kw. Average
Polarization:	Circular
EHAAT:	184.5 m.
RCAMSL:	280 m.
Channel No.	204
Frequency:	88.7 MHZ
Class of Station:	B
Modes:	Stereo Unattended

ENGINEERING BRIEF

NEW FM STATION NAPANEE, ONTARIO

I. INTRODUCTION

D.H. Macaulay, P. Eng., has been retained by My Broadcasting Corporation to prepare this engineering brief in support of an application for a new FM station at Napanee, Ontario.

II. DISCUSSION

The proposed station will add a new local service to Napanee, Desoronto and surrounding areas.

III. INTERFERENCE ANALYSIS

Channel 204 is allotted to Desoronto. It is intended to be located on the CJ0H-TV-6 tower (co-sited with the Channel 6 TV facility) in order to avoid interference to Channel 6. The allotment is for a class B facility, limited to a maximum of 30 Kw. at 150 m. or equivalent. This application respects these parameters.

There are numerous U.S. stations which are short-spaced to the proposed facility, which is permitted by the allotment agreement. While some of these may receive interference from the proposed facility, as far as can be determined, none will cause any interference, at least on Canadian land areas.

IV. ASSUMPTIONS AND SOURCES OF INFORMATION

- (a) Canadian and U.S. allotments and assignments from the Industry Canada web site.
- (b) Agreement between the governments of Canada and U.S.A. relating to the FM Broadcasting Service and the Associated Working Arrangement – February 1991.
- (c) Broadcast Procedures and Rules Part III.

V. EQUIPMENT DETAILS

The proposed transmitter will be a type-approved model and will operate at 5 kilowatts.

Stereophonic transmission is proposed. Equipment and installation will be such as to meet fully the requirements of R.S.S. 153.

Suitable measuring and monitoring equipment will be installed or available. Details will be provided following implementation.

The R.F. connection from transmitter to antenna will be by means of 7/8 inch heliax line or equivalent, length approximately 150 m., estimated efficiency 66%.

VI. DESCRIPTION OF THE ANTENNA SYSTEM

- (1) The transmitter and antenna will be located at:

44° 08' 30" North Latitude
77° 04' 34" West Longitude

- (2) Overall height of support structure (existing):

174.7 m. above ground
311.7 m. above mean sea level

Average elevation of terrain:

95.5 m. above mean sea level

Elevation of radiating centre:

143 m. above ground
280 m. above mean sea level
184.5 m. above average terrain

These figures are shown on Figure 3.

- (3) The antenna will be a SIRA FMC-06/R or equivalent, 3 bays, circularly polarized, directional, with centre axis at 0° azimuth. Gain is 5.26 dbd maximum, 1.8 dbd average.

VII. HARMONIC INTERFERENCE

The second harmonic of Ch. 204 – 88.7 MHZ falls on TV Ch. 7. There are no known Ch. 7 transmitters serving the area in question, thus no problems of this nature are anticipated.

VIII. INTERMODULATION

There are no other FM stations nearby. Intermodulation products between the proposed service and the aural and/or visual carriers of Ch. 6 do not produce any within 0.2 MHz of any station serving the Napanee area, thus no problems of this nature are likely.

IX. INTERFERENCE TO OTHER RADIO SERVICES

There are no known relevant facilities nearby, so any problems of this nature are unlikely. Nevertheless, should any valid problems be experienced due to the addition of the proposed facility, the applicant agrees to take expeditious action to resolve same, bearing a fair share of any costs involved.

X. COVERAGE CONTOURS

The estimated 3 and 0.5 mv/m contours are shown on Figure 2 for the proposed operation.

The location of these contours was determined using the latest F (50,50) curves from Industry Canada.

The calculations may be summarized as follows:

Radial	Azimuth (deg.)	Average Terrain (m.)	H.A.A.T. (m.)	E.R.P. (dbk.)	Distance to Contours (km.)	
					3 mv/m	0.5 mv/m
1	0	103	177	7.5	21.5	48
2	45	94	186	10	25.5	53.5
3	90	90	190	8.5	24	51
4	135	89	191	2.5	17.5	39
5	180	101	179	0.5	15	34.5
6	225	106	174	1.5	15	35.5
7	270	89	191	8.5	24	51
8	315	91	189	10	25.5	53.5

The HAT's and HAAT's were deduced from the database information for CJ0H-TV-6. For this reason no terrain profiles are included with the submission.

Effective height above average terrain (EHAAT) = 184.5 m.

Effective Radiated Power was calculated as follows:

$$\begin{aligned} \text{E.R.P.} &= \text{Transmitter power} \times \text{Line Efficiency} \times \text{Antenna Gain (max)} \\ &= 5 \times 0.66 \times 3.36 = 11.1 \text{ Kw. (max.)} = 10.45 \text{ dbk} \end{aligned}$$

For each azimuth, the E.R.P. was reduced in accordance with the horizontal pattern, Figure 4.

Distances are estimated to the nearest 0.5 km.

The estimated 100 DBU contour is shown on Figure 1. The estimated resident population is minimal and will be provided by the applicant if required.

Calculations show that, due to antenna height, vertical pattern and power level, there will be no 115 DBU contour at ground level.

XI. R.F. ENERGY EXPOSURE

The calculated worst case power flow at ground level, based on the methodology of "HIFIELD" is less than 2 microwatts/sq. cm., too low to merit serious consideration.

XII. INTERFERENCE TO AERONAUTICAL FACILITIES

No assessment of this matter has been made.

XIII. EXPIRY DATE

In the event that this brief has not been submitted to Industry Canada within three months of the date below, it should be returned to the consultant for possible revision prior to submission.

XIV. QUALIFICATIONS

The qualifications of the undersigned are on file with Industry Canada, Ottawa.



D. H. Macaulay P. Eng.

D.H. Macaulay, P. Eng.
Broadcast Engineering Consultant

17 March 2006

Date

APPENDIX I

SUMMARY OF EQUIPMENT

Antenna: SIRA FMC-06/R, or equivalent, 3 bay, circularly polarized, directional with centre axis at 0° azimuth. Gain is 5.26 dbd maximum, 1.8 dbd average.

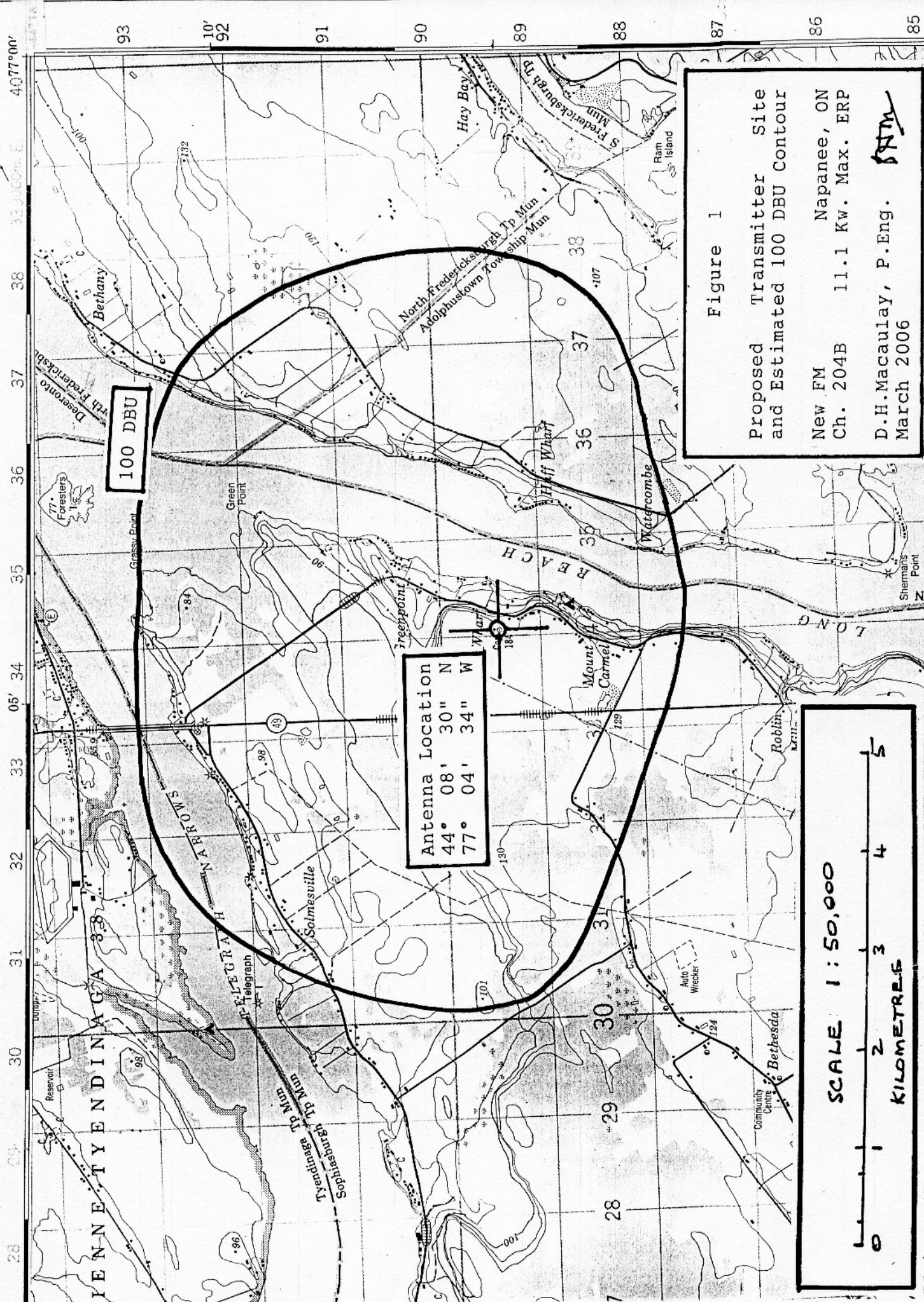
Tower: Existing tower owned by CTV (CBOF-FM-6). Antenna to be side mounted. Agreement in principle has been reached with CTV.

Transmitter: 5 Kw. type-approved model.

Transmission Line: 7/8" air heliax or equivalent.

Program Feed: Telco lines or STL from studio in Napanee.

Napanee 6 km



100 DBU

Antenna Location
 44° 08' 30" N
 77° 04' 34" W

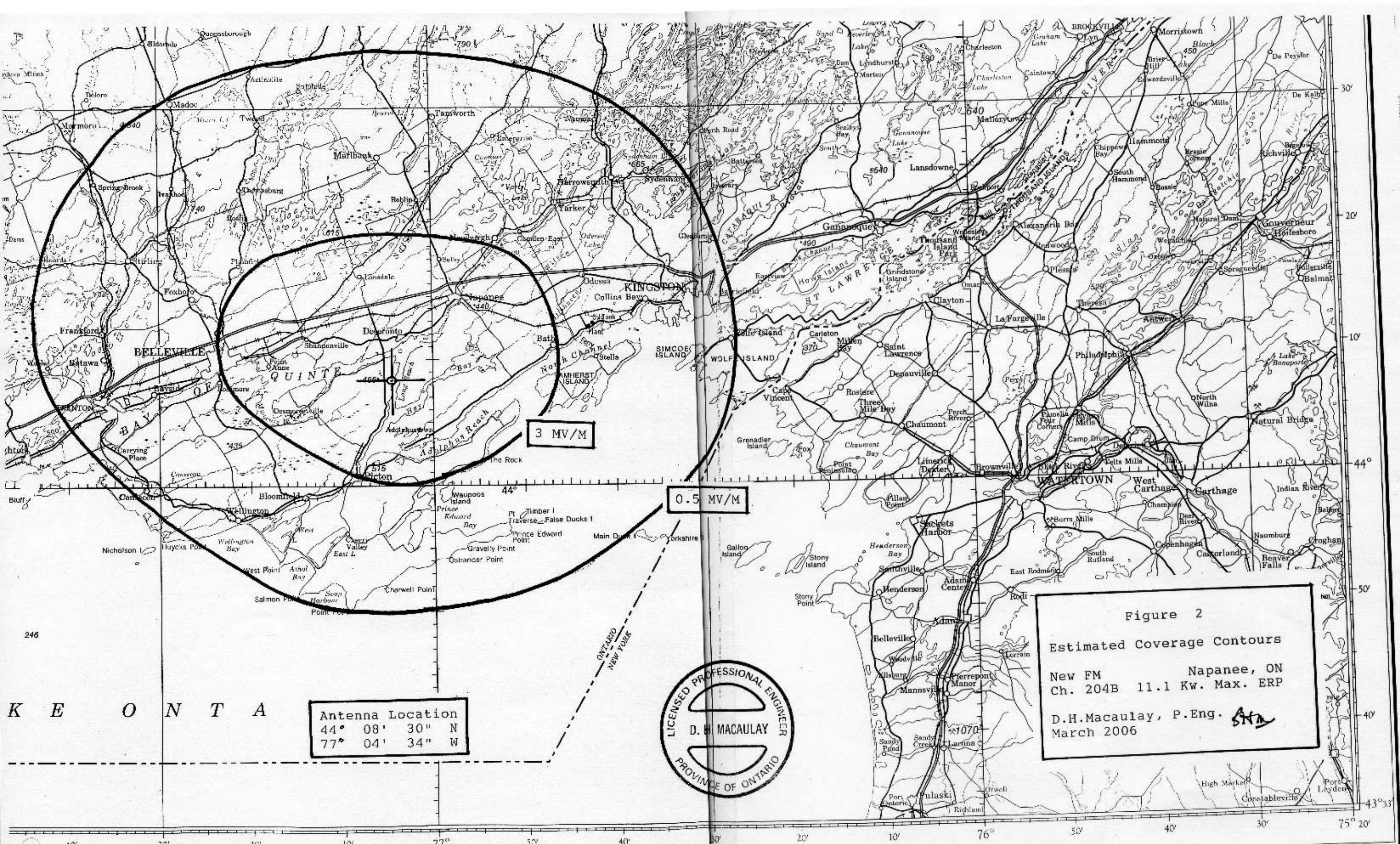
Figure 1
 Proposed Transmitter Site
 and Estimated 100 DBU Contour

New FM Napanee, ON
 Ch. 204B 11.1 Kw. Max. ERP

D.H. Macaulay, P. Eng.
 March 2006

SCALE 1:50,000

0 1 2 3 4 5
 KILOMETRES

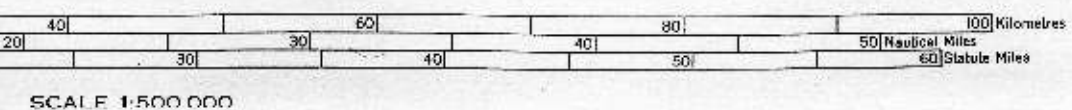


Antenna Location
 44° 08' 30" N
 77° 04' 34" W



Figure 2
 Estimated Coverage Contours
 New FM Napanee, ON
 Ch. 204B 11.1 Kw. Max. ERP
 D.H. Macaulay, P. Eng. *DHM*
 March 2006

K E O N T A



ELEVATIONS IN FEET

NAD 28

Copies may be obtained from the Canada Map Office,
 Department of Energy, Mines and Resources, Ottawa, or your nearest map dealer.

ELEVATIONS IN FEET
 TORONTO-OTTAWA
 N.T.S. No. 31 S.W.

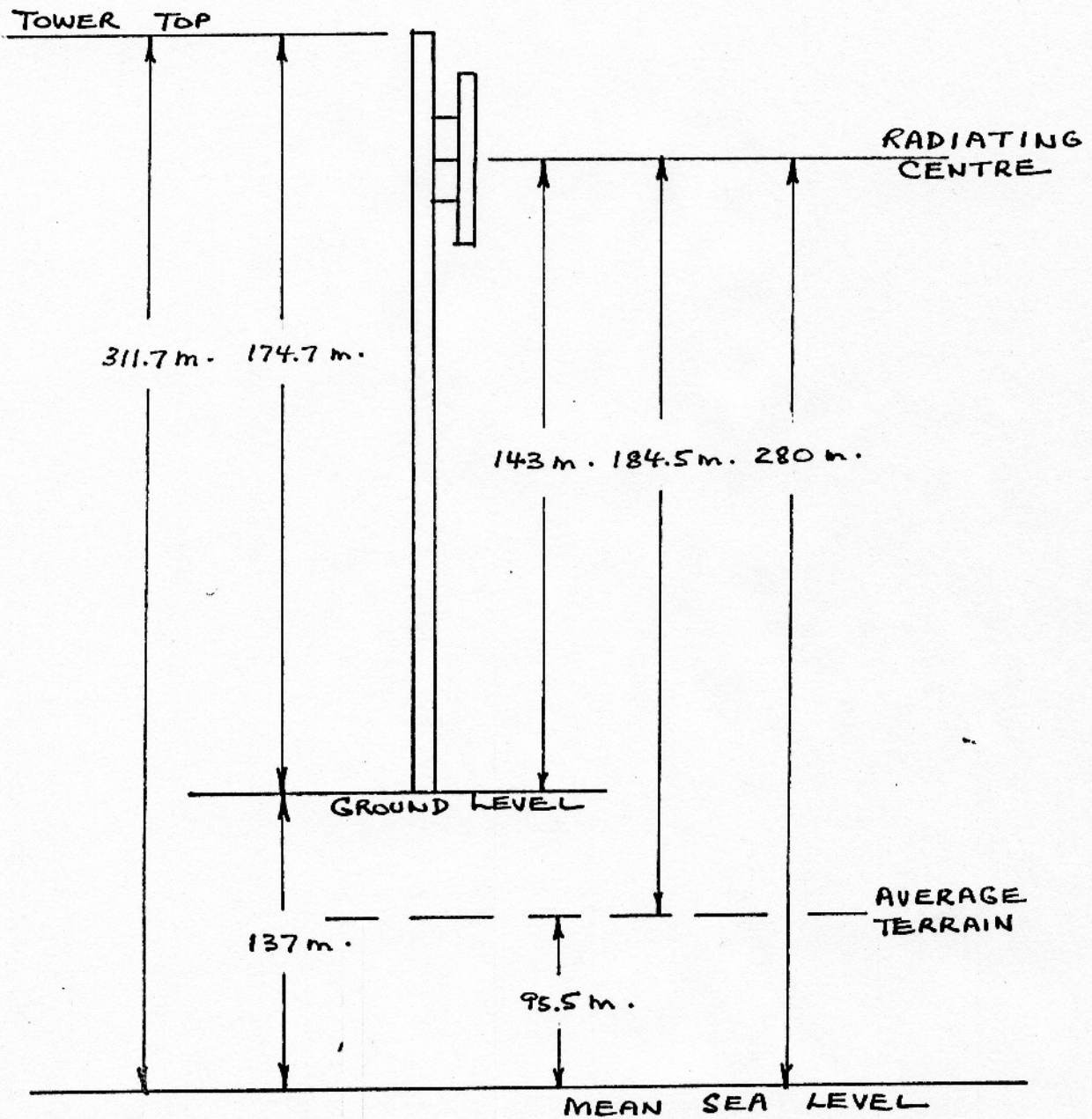


FIGURE 3
TRANSMITTING ANTENNA ELEVATIONS

NEW FM
CH. 204B

NAPANEE, ON
11.1 KW. E.R.P.

J. H. MACAULAY, ENG.

JHM

MARCH. 2006

TITLE: SIRA FMC-06/R ANTENNA

DATE

TEST No:

FREQUENCY: FM

POLARISATION:-

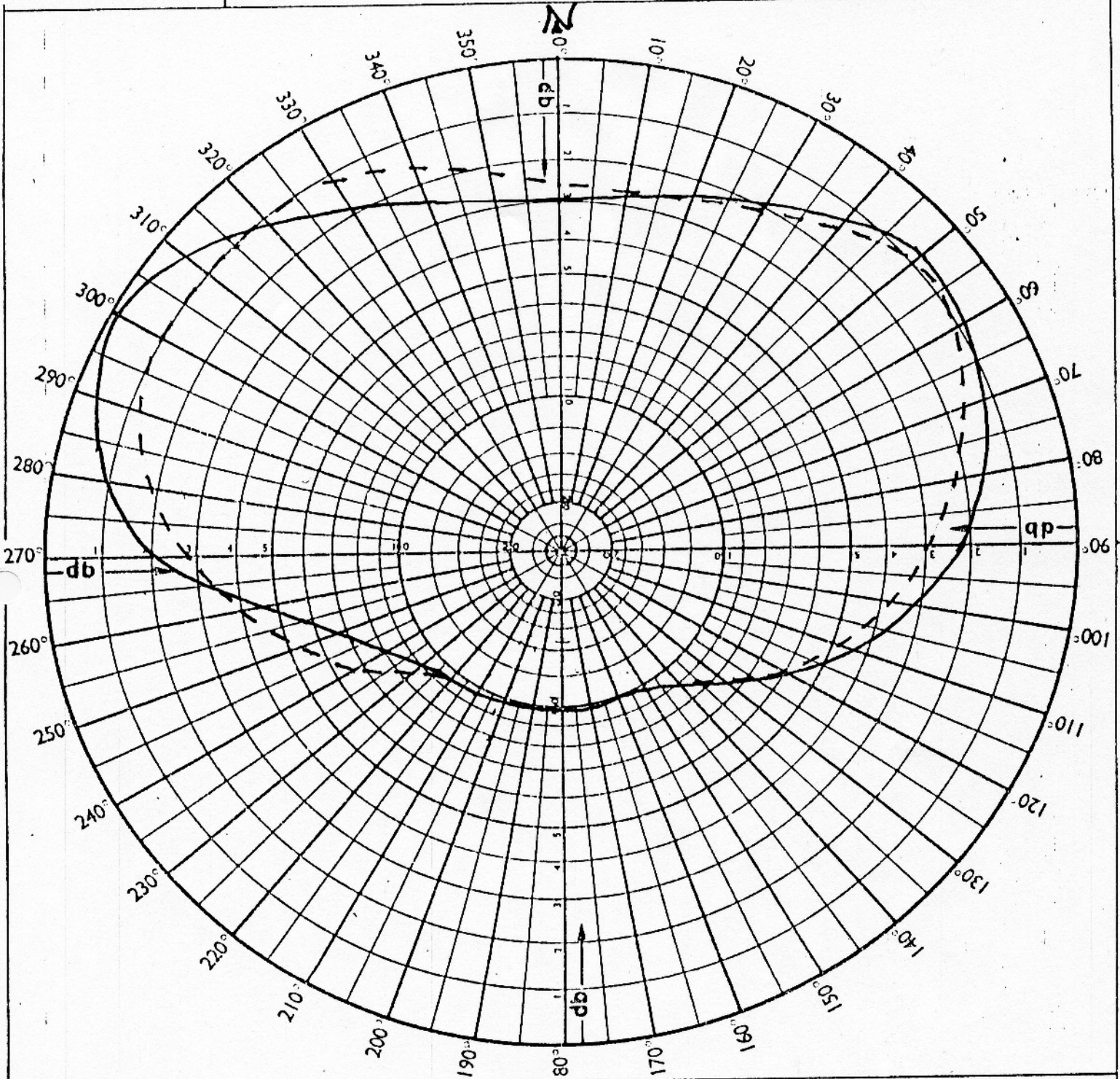
VERTICAL - - - - -
HORIZONTAL ————

PLANE:-

E

H

AMPLITUDE DIAGRAM



0° = ϕ OF RADIATOR + REFLECTOR

SOURCE: SIRA CATALOGUE

FIGURE 4
ANTENNA HORIZONTAL PATTERN
NEW FM NAPANEE, ON
CH. 204B

POLE MOUNT WITH DIMENSIONS
AS GIVEN IN ABOVE SOURCE

D.H. MACAULAY, P. ENG. *DHM* MARCH 2006

DHM 23-8-00

3 BAY RING TYPE ANTENNA

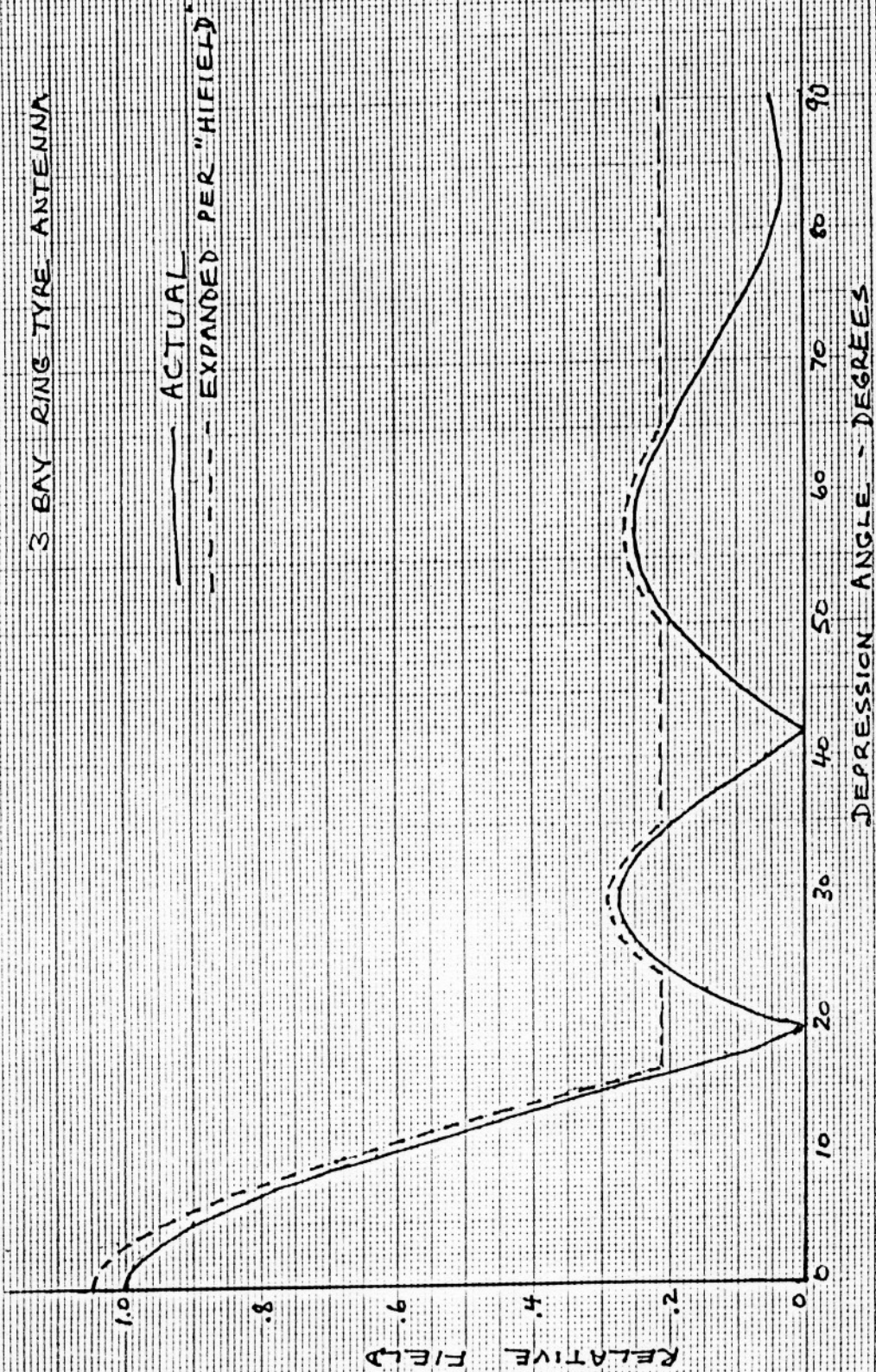


FIGURE 5

ANTENNA VERTICAL PATTERN

NEW FM NAFANEE, ON

CH. 204B

D. H. MACAULAY, P. ENG. *KRM* MAR. 2006

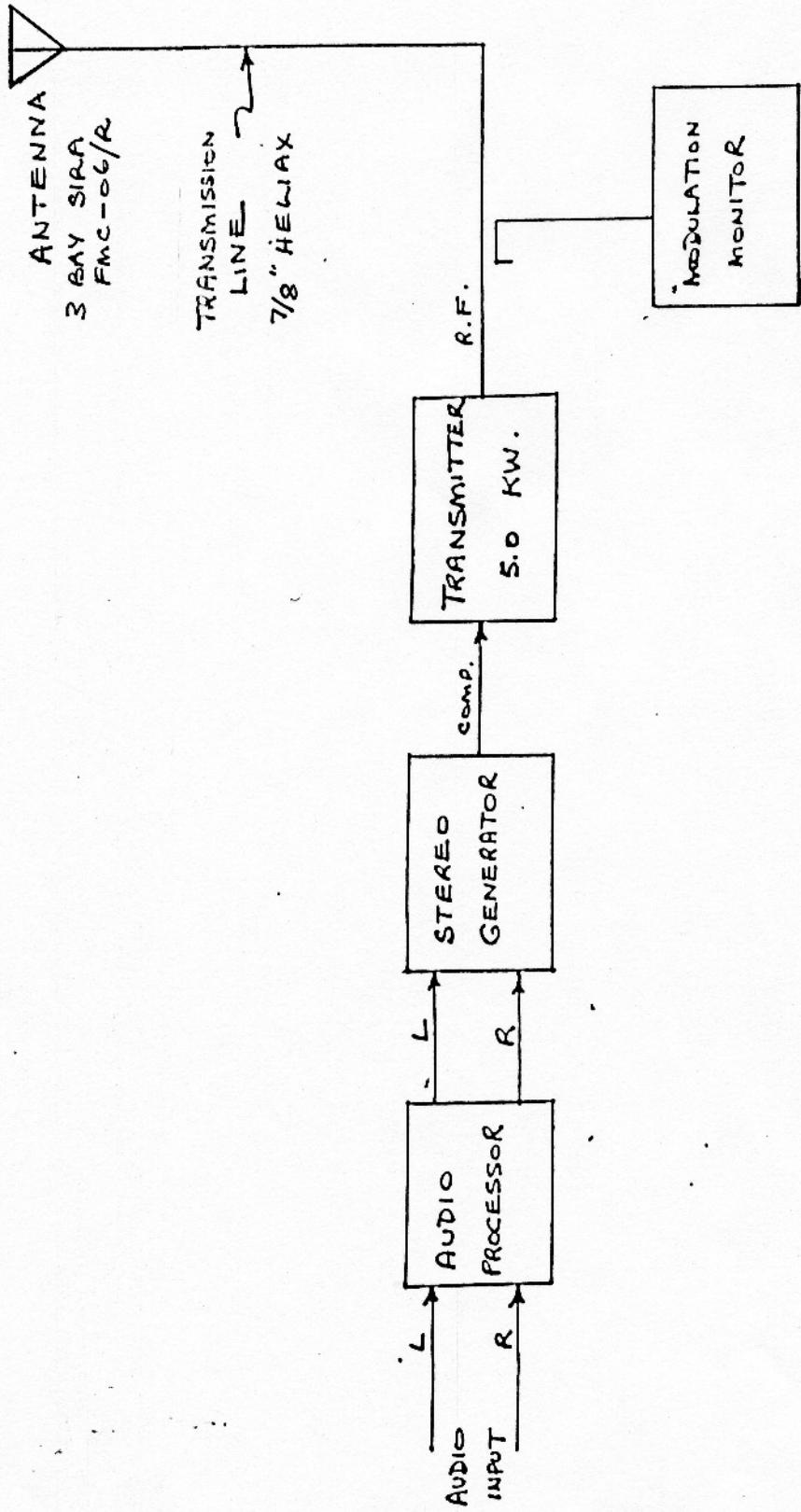


FIGURE 6
 BLOCK DIAGRAM - TRANSMITTING EQUIPMENT
 NEW FM
 CH. 204B
 NAPANEE, ON
 11.1 KW. MAX. ERP
 D.H. MACAULAY, ENG. *DM* MARCH 2006

Appendix 6B

Documentation supporting the availability of the proposed transmitter site(s).



CTV Television Inc.

PO Box 5813
Merivale Depot
Nepean, Ontario
Canada K2C 3G6

Tel 613.224.1313
Fax 613.274.4215

www.cjoh.com

February 22, 2006

MY Broadcasting Corporation
321B Raglan St. S., Box 961
Renfrew, Ontario
K7V 4H4

Attention: Andrew Dickson
Vice President

Dear Mr. Dickson:

Please be advised that CTV Television Inc. has agreed in principle to enter into a mutually acceptable agreement to lease space at its transmitter site in Prince Edward County, Ontario (Deseronto site) to MY Broadcasting Corporation for purposes of transmitting an FM signal should the CRTC approve your application.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Nigel D'Ornellas'.

Nigel D'Ornellas
Accounting Manager
CTV Television Inc., Ottawa

Appendix 7A

7.2 Canadian Talent Development

As stated in our application we intend to devote a minimum of \$2,000 each year in direct contributions to the development of Canadian Talent. We plan to distribute the money through third-party initiatives such as the **Annual Napanee Fair and the Celtic Festival** both of which have long standing music elements that MBC would support.

Canadian Content

We accept as a condition of license to play a minimum of 38% of music selections that classify as Canadian Content. The level will apply to both the entire broadcast week, and the period between 6:00am and 6:00pm, Monday to Friday of the same broadcast week as set out in the Radio Regulations, 1986.

“Kwe-Kew”

“Kwe-Kew” will be a program that highlights the Tyendinaga Mohawk Territory. This program will feature Canadian Aboriginal Music and artists such as Tomson Highway, George Leach, Susan Aglukark, Con Cache and Molly Johnston. We expect this program to play 100% Canadian Content.

Appendix 7B

7.2 Cultural Diversity

“...describe measures you will be taking to incorporate and reflect the reality of Canada’s cultural, ethnic, racial and Aboriginal diversity...”

Employment Practices

It is our intent to hire local area talent and staff so our on-air presence directly reflects the community of Napanee. We expect our staff to be a fair mix of men and women. MBC is an equal opportunity employer.

The allocated space in the proposed facility is wheelchair accessible.

News

We will air 67 locally produced newscasts per week. The programming content will be very similar to our other Broadcasting Undertakings, 96.1 myFM in Renfrew and 104.9 myFM in Pembroke. Our primary focus is delivering local content. This includes spoken word elements such as: news, weather, sports, live play by play, outdoor activity features and topical music highlights.

Music and Diversity

In recognition of Canada’s Broadcasting Act (Section 3.1 (d)(iii)), where there is a mandate to ‘Reflect Canadians to Canadians’, we are intending to provide an opportunity for the local First Nations community. “Kwe-Kew” will be a one-hour show (aired twice per week) paying tribute to the heritage of the Tyendinage Mohawk Territory. This program will have spoken word elements such as interviews and round table discussion as well as playing Canadian Aboriginal Music and artists such as Tomson Highway, George Leach, Susan Aglukark, Con Cache and Molly Johnston. We expect this program to play 100% Canadian Content.

Promotion of Canadian Artists

In our other Broadcasting Undertakings, we are airing a one-hour, 100% Canadian Content program called ‘Valley Trax’, which features local artists with interviews and their music. It is our intent to produce a similar program in Napanee featuring the local artists of Lennox & Addington County and the listening area.

“Kwe-kew” will promote many Canadian artists that are currently not being heard in commercial radio in Canada. Through our direct contributions to organizations such as the Annual Napanee Fair and Celtic Festival we will assist in providing an excellent venue for Canadian talent to perform and promote their music.

Appendix 7C

7.2 Local Programming

As outlined in the Local Programming Policy, please describe the manner in which spoken work material of direct and particular relevance will be offered to the community served.

Our proposed NEW FM will broadcast over 90% locally originating programming. The remaining 10% will be programming elements shared with our sister stations. These shared elements may include special programs such as the 'Sunday Morning Music Vault' (a four-hour oldies music program) and the 'Weekend House Party' (a four-hour party music mix program airing Friday and Saturday nights) programs. Both programs are currently produced by MBC and airing on CHMY-FM Renfrew and CIMY-FM Pembroke.

News will be broadcast locally every half-hour from 6am-9am, Monday – Friday, with local news headlines at Noon, 4pm, 5pm, and 6pm. On weekends we will have newscasts each hour from 7am-Noon. We are planning 67 locally produced newscasts each week. News Packages in the morning will be 3 minutes and will include local sports and our afternoon packages will run approximately one and half minutes.

The percentage of our total weekly programming that will be devoted to spoken word programming will be a minimum of 15%. The amount of this devoted to news will be a minimum of 25%.

Our NEW ENGLISH FM will operate within the Group I format of Pop, Rock and Dance, at least 50% of the broadcast week will be devoted to music and at least 70% of the music will be from sub-category 21 (pop, rock and dance).

We accept, as a condition of license that the level of hits broadcast each week will be 49% of all musical selections. We will play an instrumental level less than 35% of all musical selections.

We accept as a condition of license to air 38% Canadian Content each broadcast day including the time period between 6am-6pm.

We expect to have 1 full-time on-air announcers plus 1-2 part-time announcers along with 1 full-time news announcer supported by 1-2 part-time employees. The addition of the NEW-FM will also see the addition of a General Manager who will oversee the operation.

The following pages include detailed explanations of some of our NEW-FM Music and Spoken word programs:

- "Kwe-Kew"
- Various Spoken Word Elements

"KWE-KEW" (Hello) NEW FM SPECIALTY PROGRAM

History

Within the broadcast area of the New FM undertaking, lies the Tyendinaga Mohawk Territory. The total membership of this nation is currently 6,000 with close to 2,200 residing in the community.

This Territory has a deep heritage and has developed strategies in which to keep their culture and language alive for future generations. Not the least of which is the Tyendinaga's Annual Traditional Pow Wow. The Pow Wow is a special opportunity to explore and reaffirm traditional ways including: singers, native dancing, dress, arts and crafts, foods, etc. It is a special time of celebration and reflection.

The NEW FM in Napanee will proudly feature a unique weekly program named "Kwe-Kew" designed to explore and pay tribute to the history of the Tyendinaga Mohawk Territory.

"Kwe-Kew" is a one-hour program and will be produced by the NEW-FM and will host a variety of local residents including language instructors and First Nation Counselors.

"Kwe-Kew" will feature music selections by popular Native-Canadian Artists, interviews about local events and round table segments that speak to local diversity and the issues of the day such as celebrating National Aboriginal Solidarity Day, Louis Riel Day and POW WOWS. A portion of the programming elements will also be broadcast in the respective Native language.

"Kwe-Kew" will air each Sunday afternoon from 5pm-6pm with an additional "replay" on Monday evenings at 7pm.

We expect that all music portions of this program will be classified as Canadian Content. We will play such artists as Tomson Highway, George Leach, Susan Aglukark, Con Cache and Molly Johnston.

Outside of regular spoken work content such as daily surveillance, sports, news, contests and disc jockey chatter, some other specific spoken word programs will include:

“What’s Going On” – a one-minute daily feature to highlight specific recreational activities in and around Napanee.

“Morning Newsmaker” – this will be a 2-3 minute interview each weekday morning with a local newsmaker or special local guest.

“The Napanee Explorer” – a one-minute feature that will look back and highlight some of the interesting people and historic moments from the past 100 years in Lennox & Addington County.

“The High-School Report” – rotating through the area high schools we will have student present a 2 minute look at “What’s Happening” at their school.

“Hockey Coverage” – We will highlight game information on local teams both on the road and through the play-offs.

“Community Bulletin” – Each hour we will offer a list of upcoming community events for churches, schools and other charitable organizations.

“New FM Cares” – An on-going feature that will look in-depth into a specific charitable event, their people, needs and goals. This will air each day.

“Birthdays and Anniversaries” – a daily morning show feature to highlight area birthdays and anniversaries.

“In Memorial” – a daily listing of passings and funerals.