



Broadcasting Decision CRTC 2006-325

Ottawa, 2 August 2006

Tiessen Media Inc.

Airdrie and Cochrane, Alberta

Application 2005-0263-4

Public Hearing at Calgary, Alberta

21 February 2006

Eclectic Adult Contemporary FM station in Airdrie and Cochrane

*In this decision, the Commission **approves in part** an application by Tiessen Media Inc. (Tiessen) for a broadcasting licence to operate a new English-language, commercial FM radio station in Airdrie, with a transmitter in Cochrane. However, Tiessen must, within three months of the date of this decision, submit for the Commission's approval, an application proposing the use of another frequency and technical parameters that are acceptable to the Commission and the Department of Industry for the Cochrane transmitter.*

Background

1. At the 21 February Public Hearing in Calgary, the Commission considered ten applications for broadcasting licences to operate new radio stations to serve Calgary, as well as three applications to serve the nearby community of Airdrie, which is considered to be part of the Calgary Central Market Area. The applicants were as follows:

Calgary

- Touch Canada Broadcasting Inc. (Touch Canada)
- CHUM Limited (CHUM)
- 1182743 Alberta Ltd. (1182743 Alberta)
- Evanov Radio Group Inc., on behalf of a corporation to be incorporated (Evanov)
- Calgary Independent Radio Broadcasters Inc. (Calgary Independent)
- Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership (Pattison)
- Yadwinder S. Sivia, on behalf of a corporation to be incorporated (Sivia)
- Rawlco Radio Ltd. (Rawlco)
- Harvard Broadcasting Inc. (Harvard)
- Newcap Inc. (Newcap)

Airdrie

- Tiessen Media Inc. (Tiessen)
 - Golden West Broadcasting Ltd. (Golden West)
 - Newcap
2. The Commission's determination that the Calgary market can support the introduction of four new commercial FM radio stations, as well as a new radio station to provide local service to Airdrie is set out in *Licensing of new radio stations to serve Calgary and Airdrie, Alberta – Introduction to Broadcasting Decisions CRTC 2006-321 to 2006-326*, Broadcasting Public Notice CRTC 2006-97 (Public Notice 2006-97), of today's date. That public notice also summarizes the rationale underlying the Commission's approval, in whole or in part, of the applications by Harvard, Rawlco, Newcap and CHUM to serve Calgary, as well as the application by Tiessen to serve Airdrie.
 3. In *Denial of various applications proposing radio service for Calgary and Airdrie, Alberta*, Broadcasting Decision CRTC 2006-326, also dated today, the Commission has denied the competing applications for broadcasting licences to operate new radio stations in Calgary by Touch Canada, Evanov, 1182743 Alberta, Calgary Independent, Pattison and Sivia, as well as the applications for broadcasting licences to operate new radio stations in Airdrie by Golden West and Newcap.

The application

4. Tiessen has experience in the field of professional sports and entertainment, and produces network radio programming broadcast throughout Alberta.
5. The applicant proposed to establish an English-language commercial FM radio station that would operate at 106.1 MHz (channel 291A) with an average effective radiated power (ERP) of 3,600 watts. An additional transmitter would be established at Cochrane that would operate at 99.1 MHz (channel 256LP) with an average ERP of 15 watts.
6. The proposed station would offer an Eclectic Adult Contemporary music format that would feature a blend of pop, soft rock, country and roots-oriented music and artists designed to appeal to listeners between 25 and 54 years of age. A minimum of 40% of all musical selections from category 2 (Popular Music) aired during the broadcast week, and a minimum of 35% of all musical selections from category 2 aired between 6 a.m. and 6 p.m. Monday through Friday would be Canadian selections.
7. The applicant indicated that the station would broadcast at least 26.5 hours of scripted spoken word programming during each broadcast week, including news and related surveillance material, the majority of which would relate to Airdrie, Cochrane and the surrounding area. The applicant indicated that eventually it hoped to provide approximately 22 hours per week of spoken word programming other than news. The applicant further stated that it would ensure that the proposed station's programming orientation would remain dedicated to the communities of Airdrie and Cochrane.

8. Tiessen indicated that it would participate in the Canadian talent development (CTD) plan created by the Canadian Association of Broadcasters (CAB). Under the plan, accepted by the Commission in *Contributions by radio stations to Canadian talent development – A new approach*, Public Notice CRTC 1995-196, 17 November 1995, licensees serving markets the size of Airdrie are required to contribute, through eligible third parties, a minimum yearly amount of \$400 to the development of Canadian talent. Tiessen indicated that it would exceed that requirement. Including contributions made under the CAB CTD plan, Tiessen stated that it would expend \$1,000 in each of the first three years of the licence term, \$2,000 in each of the fourth and fifth years, and \$3,000 in each of the sixth and seventh years of the licence term, for a total of \$13,000 over seven consecutive broadcast years upon commencement of operations. Annual expenditures would support a music scholarship program in area schools and the purchase of new musical instruments within the local school system.

Interventions

9. The Commission received numerous interventions in support of this application, and one intervention in opposition to this application, submitted by Mr. Eric Cartman. The Commission also received interventions offering general comments, submitted by Brenda Irwin, the Canadian Independent Record Production Association (CIRPA) and by Corus Entertainment Inc. (Corus).
10. Mr. Cartman's opposition to Tiessen's application was based on his contention that the Commission should not award frequency 99.1 MHz for use in Airdrie; rather it should reserve the eventual use of that frequency for the rapidly growing Calgary market.
11. Brenda Irwin expressed the opinion that a local station with a local owner supporting local businesses would be good for the community.
12. CIRPA indicated that it generally supports applicants that offer higher levels of Canadian musical selections, contribute to diversity of ownership in the marketplace and offer programming diversity both in terms of musical format and with respect to the selections included in their playlists. CIRPA also expressed a general concern with the level of CTD funding proposed by applicants to be directed to the Foundation to Assist Canadian Talent on Records (FACTOR). In CIRPA's opinion, the recording industry in Canada would be better served if a substantial portion of CTD funds were directed to supporting FACTOR, an organization that assists in the development of new artists and the marketing of existing ones.
13. Corus, licensee of three existing commercial radio stations serving the Calgary market, recommended that any of the applicants in this proceeding that receives a licence to serve the Calgary market should make a commitment to maintain its proposed format throughout its first term of licence.

14. Tiessen did not reply to the interventions by Mr. Cartman, Brenda Irwin, CIRPA and Corus.

Commission's analysis and determinations

15. In Public Notice 2006-97, the Commission set out its determination that, on the basis of the strength of the Calgary market and the current profitability of Calgary commercial radio stations, the Calgary radio market can support the introduction of four new commercial radio stations to serve Calgary as well as a new radio station to provide local service to Airdrie, without an undue negative impact on existing stations.
16. The Commission concluded in Public Notice 2006-97 that the application by Tiessen presented the strongest proposal of the three applicants to provide a first local radio service to Airdrie. The Commission is of the view that the proposed Eclectic Adult Contemporary format targeted to listeners between 25 and 54 years of age, which is the broadest demographic group proposed by the three applicants for Airdrie, would have wide appeal.
17. The Commission notes that Tiessen would be a new entrant to the Canadian broadcasting system, that it presented a more comprehensive proposal with respect to local spoken word programming, and that the majority of that programming would relate to Airdrie, Cochrane and the surrounding area. The Commission further notes the applicant's plans for the development of Canadian talent, and the commitment to broadcast a level of Canadian music in each broadcast week that exceeds the regulatory minimum.
18. The Commission notes the concerns expressed by CIRPA. The Commission considers that the initiatives proposed by the applicant will provide valuable support for the development of Canadian talent.
19. The Commission does not consider that it is appropriate to impose a condition of licence requiring the applicant to maintain its program format throughout the first licence term, as suggested by Corus.
20. In light of all of the above, the Commission **approves in part** the application by Tiessen Media Inc. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking at Airdrie, with a transmitter at Cochrane. The Airdrie station will operate at 106.1 MHz (channel 291A) with an average ERP of 3,600 watts. The licensee proposed to operate its transmitter in Cochrane at 99.1 MHz. However, the Commission awarded the use of frequency 99.1 MHz to the Canadian Broadcasting Corporation in *CBK Regina, CHFA and CBX Edmonton, CKSB St-Boniface and CBW Winnipeg, and CBR Calgary – Addition of FM transmitters*, Broadcasting Decision CRTC 2006-84, 16 March 2006. The Commission's approval is therefore subject to Tiessen filing an amendment to its application proposing the use of an acceptable alternative frequency for its transmitter in Cochrane within three months of this decision.

21. The Commission notes the applicant's commitments to the broadcast of Canadian music and its contributions to CTD. A **condition of licence** is set out in the appendix to this decision requiring the applicant to adhere to its commitments to minimum annual financial contributions to CTD. The Commission expects the applicant to contribute a total of \$13,000 over a period of seven consecutive broadcast years, upon commencement of operations, as proposed.

Cultural diversity

22. In *Commercial Radio Policy, 1998*, Public Notice CRTC 1998-41, 30 April 1998, the Commission encouraged broadcasters to reflect the cultural diversity of Canada in their programming and employment practices.
23. The Commission expects Tiessen to reflect Canada's cultural diversity in its programming and employment practices.

Employment equity

24. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the applicant to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Issuance of the licence

25. Subject to the limitations set out below at paragraph 26, the licence issued to Tiessen will be effective 1 September 2006, and will expire 31 August 2013. It will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999.
26. The Commission will only issue the licence, and it will only be effective at such time as:
- The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters for the Airdrie undertaking will not create any unacceptable interference with aeronautical NAV/COM services.
 - The Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued, pursuant to section 22(1) of the *Broadcasting Act*.
 - The applicant submits, within three months of the date of this decision, an amendment to its application proposing the use of an FM frequency and technical parameters for the Cochrane transmitter that are acceptable to both the Commission and the Department. This amended application will form part of a public process.

- 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 2 August 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2006-325

Conditions of licence

1. The licence will be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999 (Public Notice 1999-137).
2. The licensee shall, as an exception to the percentage of Canadian musical selections set out in section 2.2(8) of the *Radio Regulations, 1986* (the Regulations), in any broadcast week, devote in that broadcast week, a minimum of 40% of its musical selections from content category 2 (Popular Music) to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category,” and “musical selection” shall have the same meaning as that set out in the Regulations.

3. Upon commencement of operations the licensee shall contribute to the development and promotion of Canadian talent, an annual minimum of:
 - \$1,000 in each of the first three years of the licence term,
 - \$2,000 in each of the fourth and fifth years of the licence term, and
 - \$3,000 in each of the sixth and seventh years of the licence term.

The amounts set out above include those required under condition of licence 5 set out in Public Notice 1999-137. The Commission reminds the licensee that all Canadian talent development (CTD) expenditures must be made in accordance with the Commission’s policy on qualifying contributions to CTD, as set out in Appendix 1 to *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.