



Broadcasting Decision CRTC 2006-263

Ottawa, 27 June 2006

**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**
Nanaimo, Parksville, Courtenay and Port Alberni, British Columbia

*Application 2005-1284-9
Public Hearing at Québec, Quebec
20 March 2006*

CHWF-FM and CKWV-FM Nanaimo, CIBH-FM and CHPQ-FM Parksville, CKLR-FM Courtenay and CJAV-FM Port Alberni – Acquisition of assets

*The Commission **approves** the application by 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, to acquire the assets of CHWF-FM and CKWV-FM Nanaimo, CIBH-FM and CHPQ-FM Parksville, CKLR-FM Courtenay and CJAV-FM Port Alberni, from Island Radio Ltd.*

The application

1. The Commission received an application by 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, (the Pattison Group) for authority to acquire the assets of the English-language, commercial radio programming undertakings CHWF-FM and CKWV-FM Nanaimo, CIBH-FM and CHPQ-FM Parksville, CKLR-FM Courtenay and CJAV-FM Port Alberni, from Island Radio Ltd. The applicant also requested broadcasting licences to continue to operate the undertakings under the same terms and conditions as those in effect under the current licences.
2. The vendor, Island Radio Ltd. is controlled by West Coast Broadcasting Ltd. and 88988 Investments Ltd. The purchaser, the Pattison Group is ultimately controlled by Mr. James A. Pattison, the sole director of Jim Pattison Ltd.
3. The applicant stated that the value of the proposed transaction would be \$12.5 million. It proposed a tangible benefits package totalling \$750,000, which represents 6% of the value of the transaction. The benefits funding would be allocated as follows: \$375,000 to be directed to the Radio Starmaker Fund, \$250,000 to be directed to the Foundation to Assist Canadian Talent on Records (FACTOR), and \$125,000 to support the Jim Pattison Broadcast Group's "Save the Music Foundation", a non-profit foundation devoted to funding Canadian talent development (CTD) projects in British Columbia and Alberta. The applicant stated that the "Save the Music Foundation" funding related to this

benefits package would be used to support CTD projects in the central region of Vancouver Island. The applicant indicated that the benefits would be distributed over seven years. In addition to the proposed tangible benefits, the applicant made a commitment to upgrade the facilities of CIBH-FM and CHPQ-FM Parksville, at an approximate cost of \$100,000, to be expended over the licence term.

Interventions

4. The Commission received comments in connection with this application by Mr. D. W. (Wax) Williams and Mr. Charles Benson.
5. In the interveners' view, the current licensee of CIBH-FM and CHPQ-FM Parksville does not provide adequate local reflection of the community the two radio stations are licensed to serve. The interveners submitted that the applicant should be required to provide more local programming on these radio stations, as well as to establish studios in the Parksville/Qualicum Beach community.

Applicant's reply

6. In response, the Pattison Group noted that the current licensee of CIBH-FM and CHPQ-FM operates local studios in Parksville and cited some of the community events that have been sponsored by these radio stations over the past year, including numerous festivals, parades, fairs and fund raising activities. The applicant also stated that CIBH-FM and CHPQ-FM each broadcast live morning shows hosted by local residents as well as local newscasts and weather reports. It added that all voice tracks broadcast by these radio stations are locally produced and reflect the Parksville and Qualicum Beach (Oceanside) markets. The Pattison Group maintained that its commitment to improve these radio stations' broadcast facilities shows that it is committed to enhancing their exposure in the market.

Commission's analysis and determination

7. The Commission has considered the arguments presented by the applicant and the interveners. The Commission is satisfied that the applicant's response and its commitment to local reflection adequately address the concerns raised by the interveners.
8. In light of the above, the Commission **approves** the application by 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, to acquire the assets of the English-language, commercial radio programming undertakings CHWF-FM and CKWV-FM Nanaimo, CIBH-FM and CHPQ-FM Parksville, CKLR-FM Courtenay and CJAV-FM Port Alberni, from Island Radio Ltd., and for broadcasting licences to continue the operation of these undertakings.

9. With respect to implementation of the benefits offered as part of this transaction, the Commission notes the applicant's commitment to distribute the benefits over a seven year period. The Commission has determined that the seven year period will commence on 1 September 2006, and that the expenditures will be made in accordance with the applicant's proposed allocations, as set out in an appendix to this decision.

Issuance of the licences

10. The Commission will only issue the licences to 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, once the current licences issued to Island Radio Ltd. have been surrendered to the Commission.
11. The new licences for the undertakings listed below will expire on the current expiry date for each undertaking, and will be subject to the same terms and **conditions** as those in effect under the current licences.

CHWF-FM Nanaimo	31 August 2007
CIBH-FM Parksville	31 August 2008
CKLR-FM Courtenay	31 August 2011
CJAV-FM Port Alberni	31 August 2011

12. The new licences for CKWV-FM Nanaimo and CHPQ- FM Parksville will expire on 31 August 2012, and will be subject to the same terms and **conditions** as those in effect under the current licences.

Employment equity

13. 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.

Secretary General

This decision is to be appended to each 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 2006-263

The total of \$750,000 in required benefits shall be distributed by the stations over seven consecutive years beginning 1 September 2006, at the individual levels indicated below.

Station	Location	Percentage of total benefit	Total seven-year contribution
CKWV-FM	Nanaimo	28%	\$210,000
CHWF-FM	Nanaimo	19%	\$142,500
CIBH-FM	Parksville	9%	\$ 67,500
CHPQ-FM	Parksville	3%	\$ 22,500
CKLR-FM	Courtenay	30%	\$225,000
CJAV-FM	Port Alberni	11%	\$ 82,500