



Broadcasting Decision CRTC 2006-551

Ottawa, 22 September 2006

Rock 95 Broadcasting (Barrie-Orillia) Ltd.
Barrie, Ontario

Application 2005-1532-2
Broadcasting Public Notice CRTC 2006-70
6 June 2006

CKMB-FM Barrie – Licence renewal

*The Commission **renews** the broadcasting licence for the English-language commercial radio programming undertaking CKMB-FM Barrie from 1 January 2007 to 31 August 2013.*

The application

1. The Commission received an application by Rock 95 Broadcasting (Barrie-Orillia) Ltd. (Rock 95) to renew the broadcasting licence for the English-language commercial radio programming undertaking CKMB-FM Barrie. The licence expires 31 December 2006.¹

Background

2. In *New Top 40/Contemporary hits FM radio station in Barrie*, Decision CRTC 2000-143, 5 May 2000 (Decision 2000-143), the original licensing decision for CKMB-FM, the Commission set out a condition of licence requiring the licensee to expend a minimum of \$64,000 per broadcast year to Canadian talent development (CTD) to be allocated as follows:
 - \$47,000 to a new artist program;
 - \$6,000 to an industry fund of which a minimum of \$3,000 will be devoted to the Foundation to Assist Canadian Talent on Records (FACTOR); and
 - \$11,000 for a part-time CTD coordinator.
3. The Commission also imposed a condition of licence requiring that, over the licence term, the licensee expend the following amounts to various non-CTD initiatives related to Native broadcasting:

¹ The term of this licence was extended for administrative reasons. In *Administrative renewals*, Broadcasting Decision CRTC 2006-396, 23 August 2006, the Commission extended the licence term to 31 December 2006.

- \$116,280 to support the Type B Native radio undertaking at Christian Island; and
- \$465,120 to support other Native radio undertakings or initiatives related to Native broadcasting, as approved by the Commission.

Expenditures to date

4. In its renewal application, the licensee reported on its annual expenditures for CTD initiatives as well as for non-CTD initiatives related to Native broadcasting to 31 August 2005.
5. The licensee proposed to fulfill its remaining CTD and non-CTD obligations representing year six and year seven of its original commitment by the end of the first year of its upcoming licence term. The CTD expenditures total \$64,000 annually for each of the remaining two years.
6. In addition, the licensee identified an expenditure shortfall that, to date, totals \$102,403.73 spread across both its CTD commitments, and non-CTD commitments related to Native broadcasting. The licensee agreed to eliminate its arrears of \$102,403.73 in equal yearly amounts throughout the upcoming licence term.

Interventions

7. The Commission received several interventions in connection with this application, most of which supported the application. The Canadian Independent Record Production Association (CIRPA), in its intervention, expressed general concern over the way the licensee is distributing its CTD expenditures.
8. CIRPA supported the licensee's \$6,000 expenditure per broadcast year to FACTOR. It expressed concern, however, over the way the licensee plans to allocate the \$47,000 expenditure for the promotion of Canadian artists. Specifically, CIRPA was of the view that several of the initiatives listed in the application in this regard do not validly support the promotion or development of Canadian recording artists. According to CIRPA, many of the initiatives undertaken by the licensee under the umbrella of CTD contribute more to the promotion of the station than to the talent involved. CIRPA submitted that contributions to CTD would best be directed toward an established music industry association that has the infrastructure to help talented Canadians in the development of their careers.
9. Moreover, CIRPA stated that funding for a part-time CTD coordinator should not qualify as an eligible direct CTD expenditure.

Licensee's reply

10. Rock 95 submitted that the initiatives to which it contributes qualify as eligible direct contributions to CTD as set out in Appendix 1 to *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990 (Public Notice 1990-111). The licensee indicated in particular that its expenditures on the salary of a part-time CTD coordinator were approved in Decision 2000-143 and, as such, have been extensively reviewed by the Commission.

Commission's analysis and determinations

11. With respect to the licensee's \$102,403.73 expenditure shortfall, the Commission notes that the licensee's commitments to CTD and to non-CTD initiatives related to Native broadcasting were made during a competitive process and were therefore important factors in awarding a licence to Rock 95. In this instance, the Commission notes that, while the arrears incurred over the course of the first licence term are substantial, the commitments made were understood as feasible under the licensee's business plan at the time of licensing.
12. Accordingly, the Commission considers that it is appropriate to require the licensee to fulfill its \$102,403.73 expenditure shortfall in a timely manner and in any event no later than 31 August 2009. The licensee must also submit a report to be filed with its 2008-2009 annual return detailing the manner in which it has addressed its arrears to CTD and non-CTD Native broadcasting initiatives. **Conditions of licence** to this effect are set out in the appendix to this decision.
13. With regard to the eligibility of the licensee's CTD initiatives, the Commission notes that these were approved by the Commission in Decision 2000-143 and qualify as eligible CTD expenditures as provided under Public Notice 1990-111.
14. Given the foregoing, the Commission **renews** the broadcasting licence for the English-language commercial radio programming undertaking CKMB-FM Barrie from 1 January 2007 to 31 August 2013. 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, with the exception of condition 5, as well as to the **conditions** set out in the appendix to this decision.
15. The Commission reminds the licensee of its commitments to non-CTD initiatives related to Native broadcasting as described in Decision 2000-143 and directs the licensee to fulfill these commitments.

Employment equity

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

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 2006-551

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, with the exception of condition 5.
2. In addition to the \$3,000 the licensee shall expend in each broadcast year of the licence term to the Foundation to Assist Canadian Talent on Records (FACTOR), the licensee shall also expend the following amounts in the first year of the new licence term for Canadian talent development initiatives:
 - \$3,000 to an industry fund;
 - \$47,000 to the promotion of Canadian artists through various initiatives; and
 - \$11,000 for a part-time Canadian talent development coordinator.
3. The licensee shall fulfill its various non-Canadian talent development commitments related to Native broadcasting as set out in *New Top 40/Contemporary hits FM radio station in Barrie*, Decision CRTC 2000-143, 5 May 2000.
4. The licensee shall eliminate its shortfall with respect to expenditures for Canadian talent development (CTD) and for other initiatives related to non-CTD Native broadcasting totalling \$102,403.73, no later than 31 August 2009. The Commission requires the licensee to file, with its 2008-2009 annual return, a report detailing the manner in which it has addressed this shortfall.
5. As an exception to the percentage of Canadian musical selections required under section 2.2(8) of the *Radio Regulations 1986*, the licensee shall, in a broadcast week, devote 37% or more of its musical selections from content category 2 to Canadian selections broadcast in their entirety.