



## Broadcasting Decision CRTC 2010-421

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Route reference: 2009-786

Ottawa, 30 June 2010

**663975 B.C. Ltd.**

Fort St. John, British Columbia

*Application 2009-0433-5, received 3 March 2009*

### **CKFU-FM Fort St. John – Licence renewal**

*The Commission **renews** the broadcasting licence for the English-language commercial radio station CKFU-FM Fort St. John from 1 July 2010 to 31 August 2013. This short-term licence renewal will enable the Commission to review the licensee's compliance with the Radio Regulations, 1986 at an earlier date.*

*The Commission **denies** the licensee's request for an exception to the requirement to devote at least 60% of its basic annual Canadian content development contribution to FACTOR or MUSICACTION.*

### **Introduction**

1. The Commission received an application by 663975 B.C. Ltd. (663975 B.C.) to renew the broadcasting licence for the English-language commercial radio programming undertaking CKFU-FM Fort St. John, which expires 30 June 2010.<sup>1</sup> In its application, 663975 B.C. requested an exception to section 15(4) of the *Radio Regulations, 1986* (the Regulations), which requires a commercial radio licensee to devote at least 60% of its basic annual Canadian content development (CCD) contribution to FACTOR or MUSICACTION, except as otherwise required under a condition of its licence. The Commission did not receive any interventions in connection with this application.
2. In Broadcasting Notice of Consultation 2009-786, the Commission noted that the licensee may have failed to comply with section 9(2) of the Regulations, which relates to the provision of annual returns, for the broadcast years 2005 through 2008.

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<sup>1</sup> The current licence was administratively renewed until 31 December 2009 in Broadcasting Decision 2009-506, until 31 May 2010 in Broadcasting Decision 2009-785 and until 30 June 2010 in Broadcasting Decision 2010-324.

## **Commission's analysis and determinations**

3. After examining the application in light of applicable regulations and policies, the Commission considers that the issues to be addressed in its determination relate to the following:
  - the provision of annual returns and
  - the requirement to devote a percentage of the CCD contribution to FACTOR or MUSICACTION.

### **Provision of annual returns**

4. As set out in section 9(2) of the Regulations, licensees are required to file their annual returns for a given broadcast year by 30 November of that same broadcast year. The Commission notes that for the broadcast years 2005 through 2008, the licensee's annual returns were filed after this 30 November deadline.
5. The licensee indicated that it had experienced problems with the accounting firm hired to prepare the annual returns, which among other things did not return the data in time to make the 30 November deadline. The licensee stated that the accounting firm reassured the station that in the future, it would process the annual returns by the middle of November of each broadcast year.

### **Requirement to devote a percentage of the CCD contribution to FACTOR or MUSICACTION**

6. As noted above, 663975 B.C. requested an exception to the requirement to devote at least 60% of its basic annual CCD contribution to FACTOR or MUSICACTION. Instead, the licensee proposed to continue to donate money directly to help local musicians.
7. In Broadcasting Public Notice 2006-158, the Commission determined that FACTOR and MUSICACTION are the most important vehicles at the national level for the development of a variety of Canadian artists, including new and emerging artists. Since the distribution of funds in all of Canada's regions is of critical importance, it was determined that, to ensure continuity of funding, no less than 60% of the basic annual CCD contribution must be devoted to FACTOR or MUSICACTION. Accordingly, the Commission does not consider it appropriate to grant the licensee's request in this regard.
8. The Commission notes that the remaining amount of the licensee's CCD contribution may be directed to any eligible CCD initiative at the discretion of the licensee. In this instance, as indicated by CKFU-FM, this remaining amount may be directed to help local musicians. The Commission also reminds the licensee that it must adhere to all requirements relating to CCD set out in section 15 of the Regulations.

## **Conclusion**

9. In light of all of the above, in accordance with its practice regarding radio non-compliance set out in Circular No. 444, the Commission considers that a short-term renewal period for

CKFU-FM would be appropriate. Accordingly, the Commission **renews** the broadcasting licence for the English-language commercial radio programming undertaking CKFU-FM Fort St. John from 1 July 2010 to 31 August 2013, four years from the original expiry date of 31 August 2009. This short-term renewal will enable the Commission to assess, at an earlier date, the licensee's compliance with the Regulations. The licence will be subject to the **conditions** set out in Broadcasting Regulatory Policy 2009-62.

10. In addition, the Commission **denies** the request by 663975 B.C. Ltd. for an exception to section 15(4) of the Regulations relating to the requirement to devote at least 60% of its basic annual CCD contribution to FACTOR or MUSICACTION.

## **Employment equity**

11. In accordance with Public Notice 1992-59, 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

## **Related documents**

- *Administrative renewals*, Broadcasting Decision CRTC 2010-324, 28 May 2010
- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2009-786, 17 December 2009
- *Administrative renewals*, Broadcasting Decision CRTC 2009-785, 17 December 2009
- *Administrative renewals*, Broadcasting Decision CRTC 2009-506, 20 August 2009
- *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992
- *Practices regarding radio non-compliance*, Circular No. 444, 7 May 2001

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