



## Broadcasting Decision CRTC 2010-953

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Route reference: 2010-715

Ottawa, 22 December 2010

**Rogers Broadcasting Limited**  
London, Ontario

*Application 2010-1193-1, received 27 July 2010*

*Public hearing in Gatineau, Quebec*

*26 November 2010*

### CHST-FM – Acquisition of assets

*The Commission **approves** the application by Rogers Broadcasting Limited for authority to acquire, from CTV Limited, the assets of the English-language commercial radio station CHST-FM London and for a new broadcasting licence to continue the operation of the station under the same **conditions** as those in effect under the current licence.*

#### The application

1. The Commission **approves** the application by Rogers Broadcasting Limited (Rogers) for authority to acquire, from CTV Limited, the assets of the English-language radio programming undertaking CHST-FM London, known as “Bob-FM,” and for a new broadcasting licence to continue the operation of the undertaking under the same terms and conditions as those in effect under the current licence.
2. Rogers is controlled by Rogers Communications Inc. while CTV Limited, the vendor, is controlled by CTVglobemedia Inc.
3. The Commission received several interventions in support of this application. The interventions are available on the Commission’s website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under “Public proceedings.”

#### Commission’s analysis and determinations

4. Because the Commission does not solicit competing applications for authority to transfer the ownership or control of radio, television and other programming undertakings, the onus is on the applicant to demonstrate that the benefits proposed in the application are commensurate with the size and nature of the transaction (refer to Public Notice 1998-41 and Broadcasting Public Notice 2006-158).
5. The value of the transaction based on the Assets Purchase Agreement is \$16 million. Based on its general practice, the Commission has reviewed the value of the transaction to determine if adjustments to the purchase price are required. Following

its review, the Commission is satisfied that this amount fairly represents the value of the transaction.

6. Consistent with the Commission's tangible benefits policy set out in Broadcasting Public Notice 2006-158, Rogers proposed a tangible benefits package equal to 6% of the proposed \$16 million value of the transaction (i.e. \$960,000).
7. Additionally, in Broadcasting Regulatory Policy 2010-499, the Commission amended its approach to the allocation of tangible benefits. Accordingly, tangible benefits must be distributed as follows:
  - 3% to the Radio Starmaker Fund or Fonds Radiostar;
  - 1.5% to FACTOR or MUSICACTION;
  - 1% to a Canadian Content Development (CCD) initiative, at the discretion of the purchaser; and
  - 0.5% to the Community Radio Fund of Canada.
8. Accordingly, based on the new approach to allocating tangible benefits set out in Broadcasting Regulatory Policy 2010-499, the Commission directs Rogers, as proposed, to allocate its benefits contribution as follows over seven consecutive broadcast years:
  - \$480,000 to the Radiostarmaker Fund;
  - \$320,000 to FACTOR; and
  - \$160,000 to the Community Radio Fund of Canada.
9. The benefits allocation reflects the plan proposed by the applicant, in which the 1% to be directed to a discretionary CCD initiative was distributed in equal parts to both FACTOR and the Community Radio Fund of Canada.

## **Conclusion**

10. The Commission **approves** the application by Rogers Broadcasting Limited for authorization to acquire the assets of the commercial radio programming undertaking CHST-FM London from CTV Limited. Upon surrender of the current licence issued to CTV Limited, the Commission will issue a new licence to Rogers Broadcasting Limited that will expire 31 August 2017. The new licence will be subject to the same conditions as those in effect under the current licence, as set out in the appendix to this decision.

## **Employment equity**

11. Because the licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with Human Resources and Skills Development Canada, its employment equity practices are not examined by the Commission.

Secretary General

**Related documents**

- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Commercial Radio Policy 1998*, Public Notice CRTC 1998-41, 30 April 1998

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

## **Appendix to Broadcasting Decision 2010-953**

### **Terms and conditions of licence for CHST-FM London**

#### **Terms**

The licence will expire 31 August 2017.

#### **Conditions of licence**

1. The licence will be subject to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.