



## Broadcasting Decision CRTC 2011-84

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Route reference: 2010-715

Ottawa, 10 February 2011

**Gerhard Loeffeler, on behalf of a corporation to be incorporated**  
100 Mile House, British Columbia

*Application 2010-1006-6, received 18 June 2010*  
*Public Hearing in the National Capital Region*  
*26 November 2010*

### English-language FM radio station in 100 Mile House

*The Commission **denies** an application for a broadcasting licence to operate an English-language commercial FM radio station in 100 Mile House, British Columbia.*

#### The application

1. The Commission received an application by Gerhard Loeffeler, on behalf of a corporation to be incorporated, for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in 100 Mile House, British Columbia. The new station would operate at 101.7 MHz (channel 269B) with an effective radiated power of 1,800 watts (non-directional antenna with an effective height of antenna above average terrain of 568 metres).
2. The station would offer a musical format consisting of a mix of New Country and Pop Rock. The applicant indicated that it would broadcast a minimum of 115 hours of local programming in each broadcast week, of which approximately 10 hours would be devoted to pure news. The applicant also committed to a total spoken word content level of 21 hours and 41 minutes, which would include news, weather, sports and community events. The station would also feature a number of specialty spoken word segments relevant to its listening audience such as Job Finder, Fishing Report and Community Chat.
3. The Commission received interventions in support of the application, as well as an opposing intervention from Vista Radio Ltd. (Vista), licensee of CKBX 100 Mile House. The interventions and the applicant's reply can be found on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."

#### Positions of parties

4. In its intervention, Vista argued that the introduction of a local FM station in 100 Mile House would threaten the viability of CKBX. Specifically, Vista indicated that CKBX was an independent, stand-alone station that derives predominantly local

advertising revenues. It submitted that 100 Mile House is a small community of less than 2,000 people and that the applicant had overstated the market's potential for advertising revenues. Vista further submitted that the applicant had underestimated the potential negative economic impact that the proposed station would have on the operations of CKBX. In particular, Vista disputed the applicant's claim that the proposed station would only derive 10% of its revenues to the detriment of the existing station.

5. In reply, the applicant reiterated its assessment of the 100 Mile House advertising market as extending beyond 100 Mile House and including the broader South Cariboo regional trading area. In its application, the applicant had noted that the population in the proposed station's primary coverage area would be approximately 8,000, while the population in the secondary coverage area would be approximately 25,000. The applicant also argued that the AM market was a separate market with a separate clientele both in listeners and advertisers and that consequently there was sufficient room in the market for the proposed FM station.

### **Commission's analysis and determination**

6. The Commission notes that 100 Mile House is located in central British Columbia, approximately 200 kilometers north of Kamloops. According to Statistics Canada's 2006 Census, the population of 100 Mile House was 1,885. Currently, CKBX is the only local commercial radio station serving the 100 Mile House market. The community of 100 Mile House is also served by a transmitter that rebroadcasts the programming of Vista's station CFFM-FM Williams Lake.
7. The Commission notes that total revenues for CKBX have declined by approximately 10% since 2007 and that the station records modest profitability. The Commission further notes that the revenues projected by the applicant are in excess of those generated by CKBX.
8. Although the Commission agrees with the applicant that the 100 Mile House trading area extends beyond the town of 100 Mile House, it nonetheless considers that the vast majority of the advertising revenues for the region would be derived from businesses operating within 100 Mile House, which is generally considered the hub of the trading area. Furthermore, the Commission considers that a new commercial FM station in the market would compete for listenership and advertising revenues with CKBX. As such, based on the modest size of 100 Mile House and the overall financial performance of CKBX, the Commission is of the view that the applicant has underestimated the potential impact of the proposed station and that the introduction of a new service in the 100 Mile House market at this time could result in a considerable negative impact on the viability of CKBX.
9. In light of all of the above, the Commission **denies** the application by Gerhard Loeffeler, on behalf of a corporation to be incorporated, for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in 100 Mile House, British Columbia.

Secretary General