



## Broadcasting Decision CRTC 2012-278

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Route reference: 2011-675

Ottawa, 9 May 2012

**Hector Broadcasting Company Limited**  
New Glasgow, Nova Scotia

*Application 2011-0350-7, received 18 February 2011*  
*Public hearing in Miramichi, New Brunswick*  
*16 January 2012*

### English-language FM radio station in New Glasgow/Pictou County

*The Commission **approves** an application by Hector Broadcasting Company Limited for a broadcasting licence to operate a new English-language commercial FM radio station in New Glasgow/Pictou County.*

#### The application

1. The Commission received an application by Hector Broadcasting Company Limited (Hector) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in New Glasgow/Pictou County, Nova Scotia. The new station would operate at 97.9 MHz (channel 250C1) with an average effective radiated power (ERP) of 46,720 watts (maximum ERP of 100,000 watts with an effective height of antenna above average terrain of 246.3 metres).
2. Hector is controlled by Douglas B. Freeman.
3. The new station would offer a blend of classic rock and classic hits with some contemporary rock. It would provide 125 hours of local programming per broadcast week, including 7 hours of pure news. Local programming would include newscasts, weather, sports, and spoken word features such as *The Country Crier*, lost and found, movie information and a swap and shop feature that would provide listeners with an opportunity to buy, sell or trade items. The station would primarily target men 18 years of age and over.
4. The applicant committed, by condition of licence, to devote at least 40% of its category 2 (Popular Music) musical selections during each broadcast week to Canadian selections broadcast in their entirety. This commitment exceeds the minimum requirement set out in the *Radio Regulations, 1986* (the Regulations).

5. The applicant further proposed to exceed the basic annual contribution to Canadian content development (CCD) required by section 15 of the Regulations. Hector would contribute, by condition of licence, an additional \$5,000 per broadcast year to CCD, for a total of \$35,000 over seven consecutive broadcast years upon commencement of operations.

### **Interventions**

6. The Commission received interventions in support of this application as well as two in opposition – one from Atlantic Broadcasters Limited (Atlantic) and one from Mr. Brent Caven. The complete record of this proceeding is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."
7. Atlantic argued that the New Glasgow/Pictou County radio market could not support two radio stations. Atlantic further submitted that the format of Hector's proposed radio station is similar to that of Atlantic's station CJFX-FM, which serves Antigonish but is also heard in parts of Pictou County.
8. Brent Caven expressed concerns about the diversity of editorial voices in the market and submitted that any new licence for a radio station to serve the New Glasgow/Pictou County market should not be granted to Hector.

### **Applicant's reply**

9. Hector submitted that the New Glasgow/Pictou County radio market could support a second local station but only if the second station were a sister station to the existing one. It was of the view that synergies between the new station and CKEC-FM would make a new station viable. Hector further argued that its proposed rock-based format designed to appeal primarily to men was considerably different than CJFX-FM's hot adult contemporary/classic hits format.

### **Commission's analysis and decisions**

10. After examining the public record for this application in light of applicable policies and regulations, the Commission considers that the issue it must address is whether it is appropriate to grant Hector – which currently operates CKEC-FM, the only local radio station in New Glasgow/Pictou County – a licence for a new station.
11. The Commission notes that its decision not to issue a call for competitive applications for New Glasgow/Pictou County was based on the approach set out in Broadcasting Public Notice 2006-159. In that notice, the Commission provided a number of exceptions to its general policy of issuing calls for further applications upon receipt of an initial application. These exceptions include proposals by the sole commercial operator in a market to improve service to the market through the introduction of a new station.
12. The Commission further notes that Hector is a local company that has served the New Glasgow/Pictou County market for many years. It is of the view that a second FM

station with a format that complements that of CKEC-FM would provide Hector with the opportunity to repatriate listening to out-of-market stations and to increase the company's revenues while taking advantage of certain synergies that would exist between the two stations.

13. In regard to the concerns of Atlantic, the Commission notes that, even though CJFX-FM can be heard in parts of Pictou County, it is licensed to serve Antigonish. The Commission further notes that it does not regulate the format of stations that offer popular music formats. These stations may therefore adjust their music formats at their discretion, so long as they do not move into the specialty format.
14. Accordingly, the Commission finds that it would be appropriate to grant Hector a licence for a second FM station in the New Glasgow/Pictou County market.

## **Other matters**

### **Local programming**

15. The definition of local programming, as set out in Broadcasting Public Notice 2006-158, is as follows:

Local programming includes programming that originates with the station or is produced separately and exclusively for the station. It does not include programming received from another station and rebroadcast simultaneously or at a later time; nor does it include network or syndicated programming that is five minutes or longer unless it is produced by the station or in the local community by arrangement with the station.

In their local programming, licensees must incorporate spoken word material of direct and particular relevance to the community served. This must include local news, weather, sports coverage, and the promotion of local events and activities.

16. At the hearing, Hector indicated that it would broadcast at least 125 hours of local programming during each broadcast week. The Commission expects Hector to abide by this commitment.

### **Canadian content development**

17. The Commission reminds the applicant that it must adhere to the requirements relating to contributions to CCD set out in section 15 of the Regulations, as amended from time to time.
18. Hector will also contribute, by **condition of licence**, an additional \$5,000 per broadcast year to CCD, for a total of \$35,000 over seven consecutive broadcast years upon commencement of operations. Of this amount, no less than 20% must be devoted to FACTOR or MUSICACTION. The remainder must be directed to eligible initiatives.

19. The Commission reminds the applicant that any development initiatives that have not been allocated to specific parties or initiatives by condition of licence must be allocated to the support, promotion, training and development of Canadian musical and spoken word talent, including journalists. Parties and initiatives eligible for CCD funding are identified in paragraph 108 of Broadcasting Public Notice 2006-158.

## **Conclusion**

20. The Commission **approves** the application by Hector Broadcasting Company Limited for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in New Glasgow/Pictou County. The terms and **conditions of licence** are set out in the appendix to this decision.

Secretary General

## **Related documents**

- *Revised policy concerning the issuance of calls for radio applications and a new process for applications to serve small markets*, Broadcasting Public Notice CRTC 2006-159, 15 December 2006
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

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

## Appendix to Broadcasting Decision CRTC 2012-278

### Terms, conditions of licence, expectation and encouragement for the English-language commercial FM radio programming undertaking in New Glasgow/Pictou County, Nova Scotia.

#### Terms

The licence will expire 31 August 2018.

The new station will operate at 97.9 MHz (channel 250C1) with an average effective radiated power (ERP) of 46,720 watts (maximum ERP of 100,000 watts with an effective height of antenna above average terrain of 246.3 metres).

The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.

The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before **9 May 2014**. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

#### Conditions of licence

1. The licence shall 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.
2. The licensee shall, as an exception to the percentage of Canadian musical selections set out in section 2.2(8) of the *Radio Regulations, 1986* (the Regulations), in any broadcast week, devote a minimum of 40% of its musical selections from content category 2 (Popular Music) to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meaning as that set out in the Regulations.

3. In addition to the basic annual contribution to Canadian content development set out in section 15 of the *Radio Regulations, 1986*, the licensee shall, upon commencement of operations, make an annual contribution of \$5,000 (\$35,000 over seven consecutive broadcast years) to the promotion and development of Canadian content.

Of this amount, no less than 20% per broadcast year shall be devoted to FACTOR or MUSICACTION. The remainder shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

## **Expectation**

### **Local programming**

The Commission expects the licensee to adhere to its commitment to devote at least 125 hours of each broadcast week to local programming. The definition of “local programming” shall be as set out in paragraph 207 of *Commercial Radio Policy*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

## **Encouragement**

### **Employment equity**

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.