



Broadcasting Decision CRTC 2015-429

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Reference: Part 1 application posted on 18 November 2014

Ottawa, 17 September 2015

International Harvesters for Christ Evangelistic Association Inc.
Moncton and Sussex, New Brunswick; Amherst, Nova Scotia

Application 2014-1152-9

CITA-FM Moncton and its transmitters – Licence amendment

*The Commission **approves** an application to amend the broadcasting licence for the English-language specialty (Christian music) radio station CITA-FM Moncton and its transmitters to allow the station to broadcast commercial messages.*

By being permitted to broadcast commercial messages, CITA-FM will be able to provide listeners with additional programming diversity.

Application

1. International Harvesters for Christ Evangelistic Association Inc. (International Harvesters) filed an application to amend the broadcasting licence for the English-language specialty (Christian music) radio station CITA-FM Moncton, New Brunswick, and its transmitters CITA-FM-1 Sussex, New Brunswick, and CITA-FM-2 Amherst, Nova Scotia, to allow the station to broadcast commercial messages. To do so, the licensee requested that the Commission delete the following condition of licence, set out in *CITA-FM Moncton and its transmitters – Licence renewal*, Broadcasting Decision CRTC 2013-361, 2 August 2013:
 5. The licensee shall not broadcast commercial messages.
2. While International Harvesters had initially expected to finance the station exclusively based on donations, it stated that it was having difficulty operating the station without broadcasting advertising. It provided the example of being unable to broadcast local hockey games of the Moncton Wildcats Junior Hockey Club because they contained commercial messages.
3. In addition, the licensee indicated that airing advertising would help the station remain financially viable since it could benefit from synergies with its sister stations, CIOG-FM Charlottetown and CJLU-FM Halifax, such as airing advertisements through a network.
4. The Commission did not receive any interventions regarding this application.

Commission's analysis

5. After examining the public record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - whether the licensee provided evidence of an economic need to justify the proposed amendment; and
 - whether the amendment would have an undue negative impact on stations operating in the Moncton radio market.

Economic need

6. Given that CITA-FM reported a positive cumulative profit before interest and taxes (PBIT) from 2010 to 2014, the Commission finds that International Harvesters did not provide evidence of an economic need. However, the Commission acknowledges that approval of the application could improve the station's long-term viability.

Impact on existing stations

7. The Moncton radio market comprises seven commercial radio stations that earned a total of \$9.8 million in revenues in 2014. The market as a whole reported a PBIT of \$2.6 million (a profit margin of 27.1%) that year.
8. In addition to CITA-FM, the English-language specialty (Christian music) radio station CKOE-FM also operates in Moncton. This station is permitted to air commercial messages.
9. Finally, in assessing the market impact in the event that International Harvesters' application is approved, the Commission also considered the following factors:
 - CITA-FM operates under a niche Christian music specialty format;
 - the station has a low share in market listenership;
 - the licensee's projected incremental advertising revenues represent at most 0.5% of the market's yearly advertising revenues; and
 - no opposing interventions were filed in connection with this application.
10. Based on the foregoing, the Commission finds that approval of the application would not have an undue negative impact on existing stations operating in the Moncton radio market.

Conclusion

11. In light of all of the above, the Commission **approves** the application by International Harvesters for Christ Evangelistic Association Inc. to amend the broadcasting licence for the English-language specialty (Christian music) radio programming undertaking CITA-FM Moncton and its transmitters by deleting condition of licence 5.

Secretary General

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