



## Broadcasting Decision CRTC 2005-116

Ottawa, 24 March 2005

### **Fawcett Broadcasting Limited**

Dryden; Red Lake and Ear Falls; and  
Sioux Lookout, Ignace, Hudson and Atikokan, Ontario

*Applications 2004-0829-6, 2004-0874-1 and 2004-0875-9  
Public Hearing in the National Capital Region  
10 January 2005*

### **Conversion of CKDR Dryden to FM band and new AM radio stations in Red Lake and Sioux Lookout**

*The Commission **approves** the applications by Fawcett Broadcasting Limited:*

- *for a broadcasting licence to operate a new English-language FM radio programming undertaking in Dryden to replace its AM station CKDR Dryden;*
- *to amend the broadcasting licence for CKDR Dryden in order to delete the transmitters CKDR-1 Ignace, CKDR-2 Sioux Lookout, CKDR-3 Hudson, CKDR-4 Ear Falls, CKDR-5 Red Lake and CKDR-6 Atikokan, and for broadcasting licences to continue the operation of these facilities in the following manner:*

*CKDR-5 Red Lake as an AM originating station with CKDR-4 Ear Falls as a transmitter; and*

*CKDR-2 Sioux Lookout as an AM originating station with CKDR-1 Ignace, CKDR-3 Hudson and CKDR-6 Atikokan as transmitters.*

*The new AM originating stations in Red Lake and Sioux Lookout will each broadcast local programming split fed from the programming broadcast on the new FM station in Dryden.*

### **The applications**

1. Fawcett Broadcasting Limited (Fawcett) is currently the licensee of the AM radio programming undertaking consisting of originating station CKDR Dryden, Ontario and its transmitters CKDR-1 Ignace, CKDR-2 Sioux Lookout, CKDR-3 Hudson, CKDR-4 Ear Falls, CKDR-5 Red Lake and CKDR-6 Atikokan, Ontario.

2. Fawcett filed an application for a broadcasting licence to operate a new English-language FM radio programming undertaking in Dryden to replace its AM station CKDR. The new station would operate at 92.7 MHz (channel 224B) with an effective radiated power (ERP) of 36,800 watts. It would maintain CKDR's adult contemporary music format as well as its local programming, including news, weather, sports and community information.
3. Fawcett also filed an application to amend the broadcasting licence for CKDR Dryden in order to delete the transmitters CKDR-4 Ear Falls and CKDR-5 Red Lake, and for a broadcasting licence to continue the operation of CKDR-5 Red Lake as a new English-language AM radio programming undertaking with CKDR-4 Ear Falls as a transmitter. The applicant proposed to operate under the presently authorized technical parameters in those communities; namely, at 1340 kHz with a transmitter power of 250 watts for the station in Red Lake, and at 1450 kHz with a transmitter power of 40 watts for the transmitter in Ear Falls.
4. In addition, Fawcett filed an application to amend the broadcasting licence for CKDR Dryden in order to delete the transmitters CKDR-1 Ignace, CKDR-2 Sioux Lookout, CKDR-3 Hudson and CKDR-6 Atikokan, and for a broadcasting licence to continue the operation of CKDR-2 Sioux Lookout as a new English-language AM radio programming undertaking with CKDR-1 Ignace, CKDR-3 Hudson and CKDR-6 Atikokan as transmitters. The applicant proposed to operate under the presently authorized technical parameters in those communities. The station in Sioux Lookout would operate at 1400 kHz with a transmitter power of 50 watts. The transmitter in Ignace would operate at 1340 kHz with a transmitter power of 50 watts. The transmitter in Hudson would operate at 1450 kHz with a transmitter power of 40 watts, and the transmitter in Atikokan would operate at 1240 kHz with a transmitter power of 50 watts.
5. The applicant made commitments that the new AM radio programming undertakings in Red Lake and Sioux Lookout would each offer a minimum of one hour of community public service announcements and community information in each broadcast week as well as up to three hours of advertising targeting listeners in their respective communities. The remainder of the programming would be programming broadcast by the applicant's new FM station in Dryden.
6. Under the plan developed by the Canadian Association of Broadcasters (CAB) for contributions by radio licensees to Canadian talent development, a radio licensee serving a community the size of each of the communities to be served by the proposed stations would normally be expected to contribute a minimum of \$400 in each broadcast year to eligible third parties for the development of Canadian musical and other artistic talent. Fawcett confirmed that it would participate in the CAB's plan and stated that each station would contribute a minimum of \$400 in each broadcast year to the Foundation to Assist Canadian Talent on Record (FACTOR).

## **Interventions**

7. The Commission received interventions to these applications by Norwesto Communications Ltd. (Norwesto). In *English-language FM radio station in Vermilion Bay*, Broadcasting Decision CRTC 2004-143, 13 April 2004 (Decision 2004-143), the Commission approved an application by Norwesto to operate an English-language FM radio station in Vermilion Bay with transmitters in Dryden and Kenora, Ontario.
8. Norwesto expressed concern that approval of the application to convert CKDR to the FM band would have a significant impact on its Vermilion Bay radio station approved in Decision 2004-143. The intervener contended that, according to the contour maps provided with the application, Fawcett's proposal does not represent a simple flip from AM to FM. The intervener claimed that the power increase proposed in Fawcett's application would expand the station's contours in the Dryden listening area and more than double its present coverage area.
9. Norwesto also alleged that Fawcett's applications to convert its existing transmitters of CKDR to originating stations with transmitters are simply attempts to legitimize what the applicant has already been doing for years. In Norwesto's view, approval of these applications would not enhance the applicant's service to these communities.

### **The applicant's reply**

10. In response, Fawcett stated that it had advised the Commission of its long-range business plan with respect to its radio stations in northwestern Ontario in the context of a previous application filed in 2001 to convert CFOB Fort Frances to the FM band<sup>1</sup>. The applicant added that its plan to file an application to convert CKDR to the FM band was noted in Decision 2004-143.

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

11. Fawcett appeared at the October 2003 public hearing at which the Commission considered Norwesto's application for a broadcasting licence to operate a new FM radio station in Vermilion Bay with transmitters in Dryden and Kenora. Fawcett opposed Norwesto's application on the grounds that the proposed radio station would have a significant impact on existing radio stations in the market. Fawcett also indicated its intention to convert CKDR to the FM band in accordance with its long-term business plan, which it had previously presented to the Commission.

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<sup>1</sup> This application was approved in *Conversion of AM radio station CFOB to FM*, Decision CRTC 2001-591, 17 September 2001.

12. After considering all the facts, the Commission approved Norwesto's application in Decision 2004-143. In approving Norwesto's application, the Commission determined, among other things, that the Vermilion Bay, Dryden and Kenora radio markets were "sufficiently healthy to absorb the competitive impact that would result from the licensing of a new commercial FM station." The Commission further noted that, as an established incumbent, Fawcett was well positioned to adjust to the moderate impact that would result from the introduction of Norwesto's service.
13. In its evaluation of the present applications, the Commission has noted that "Canadian Demographics 2005", information published by the Financial Post, indicates that total income and retail sales for Vermilion Bay, Dryden and Kenora are expected to continue to increase over the next five years.
14. With respect to the concerns raised by Norwesto regarding the coverage of the proposed FM station in Dryden, the Commission finds that the intervener did not explain how the proposed contour change for CKDR would directly affect the intervener's operations. The Commission notes that the proposed FM contours are generally consistent with the coverage that the applicant currently achieves with its originating station in Dryden and multiple transmitters in the other communities. Accordingly, the Commission is satisfied that approval of Fawcett's application to convert CKDR to the FM band will not result in a significant change to the Dryden radio market and thus will not have an undue negative impact on Norwesto's operations.
15. Furthermore, the Commission notes that Fawcett made commitments to offer at least one hour of community public service announcements and community information in each broadcast week as well as up to three hours of advertising dedicated to listeners in the communities to be served by each of the proposed new AM radio programming undertakings. The Commission is satisfied that approval of Fawcett's applications to use the facilities of CKDR-5 Red Lake and CKDR-2 Sioux Lookout as originating stations will enable listeners in these communities to receive local radio programming that reflects their respective communities.
16. In light of the above, the Commission **approves** the application by Fawcett Broadcasting Limited for a broadcasting licence to operate an English-language FM radio programming undertaking in Dryden. The station will operate on the FM band at 92.7 MHz (channel 224B) with an ERP of 36,800 watts.
17. The Commission also **approves** the application to amend the broadcasting licence for CKDR Dryden in order to delete the transmitters CKDR-4 Ear Falls and CKDR-5 Red Lake, and for a broadcasting licence to continue the operation of CKDR-5 Red Lake as an English-language AM radio programming undertaking with CKDR-4 Ear Falls as a transmitter. The station in Red Lake will operate at 1340 kHz with a transmitter power of 250 watts. The transmitter in Ear Falls will operate at 1450 kHz with a transmitter power of 40 watts.

18. Further, the Commission **approves** the application to amend the broadcasting licence for CKDR Dryden in order to delete the transmitters CKDR-1 Ignace, CKDR-2 Sioux Lookout, CKDR-3 Hudson and CKDR-6 Atikokan, and for a broadcasting licence to continue the operation of CKDR-2 Sioux Lookout as an English-language AM radio programming undertaking with CKDR-1 Ignace, CKDR-3 Hudson and CKDR-6 Atikokan as transmitters. The station in Sioux Lookout will operate at 1400 kHz with a transmitter power of 50 watts. The transmitter in Ignace will operate at 1340 kHz with a transmitter power of 50 watts. The transmitter in Hudson will operate at 1450 kHz with a transmitter power of 40 watts, and the transmitter in Atikokan will operate at 1240 kHz with a transmitter power of 50 watts.
19. Each licence will expire 31 August 2011 and will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999.
20. The applicant is authorized, by **condition of licence**, to simulcast the programming of the new FM station on CKDR for a transition period of three months following the commencement of operation of the FM station. Pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act* (the Act), and consistent with the applicant's request, the Commission **revokes** the licence for CKDR effective at the end of the simulcast period.

### **Issuance of licence**

21. The Department of Industry (the Department) has advised the Commission that, while the application for the new FM station in Dryden 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.
22. The Commission reminds the applicant that, pursuant to section 22(1) of the Act, no licence may be issued for the new FM station in Dryden until the Department notifies the Commission that its technical requirements have been met, and that broadcasting certificates will be issued.
23. Furthermore, the licence for the new FM station in Dryden will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. 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 24 March 2007. 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.
24. Since the applicant will operate CKDR-5 Red Lake and CKDR-2 Sioux Lookout and their respective transmitters under the presently authorized technical parameters, the Commission will issue those licences accordingly.

25. Given that the technical parameters for the station in Sioux Lookout and the transmitters in Ear Falls, Ignace, Hudson and Atikokan are for low-power unprotected AM services, the Commission also reminds the applicant that it will have to select other frequencies if the Department so requires.

**Employment equity**

26. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the applicant to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Secretary General

*This decision is to be appended to each licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>*