



## Broadcasting Decision CRTC 2006-622

Ottawa, 15 November 2006

### **Vista Radio Ltd.**

Grande Prairie, Alberta

*Application 2005-0828-6*

*Public Hearing at Edmonton, Alberta*

*19 June 2006*

### **Classic Rock FM radio station in Grande Prairie**

*In this decision, the Commission **approves** an application by Vista Radio Ltd. for a broadcasting licence to operate a new English-language commercial FM radio station in Grande Prairie.*

### **Background**

1. At the 19 June Public Hearing in Edmonton, the Commission considered ten applications for broadcasting licences to operate new radio stations to serve Grande Prairie. The applicants were as follows:
  - 1097282 Alberta Ltd. (1097282 Alberta)<sup>1</sup>
  - Allan Hunsperger, on behalf of a corporation to be incorporated (Hunsperger)
  - Newcap Inc. (Newcap)
  - O.K. Radio Group Ltd. (O.K. Radio)<sup>2</sup>
  - Bear Creek Broadcasting Ltd. (Bear Creek)
  - Sun Country Cablevision Ltd., on behalf of a corporation to be incorporated (Sun Country)
  - Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership (Pattison)
  - Vista Radio Ltd. (Vista)<sup>3</sup>
  - Crude Communications Inc. (Crude)
  - Standard Radio Inc. (Standard)

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<sup>1</sup> In *Applications granted approval pursuant to streamlined procedures*, Broadcasting Public Notice CRTC 2006-107, 21 August 2006, the Commission approved the transfer of ownership and effective control of 1097282 Alberta Ltd. to Radio CJVR Ltd.

<sup>2</sup> The Commission is considering an application (2006-0616-3) by Rogers Broadcasting Limited to acquire from O.K. Radio Group Ltd. the assets of the following radio programming undertakings in Alberta: CFGP-FM Grande Prairie and its transmitters CFGP-FM-1 Peace River and CFGP-FM-2 Tumbler Ridge; CJOK-FM and CKYX-FM and its transmitter CJOK-FM-1 Fort McMurray; and CHDI-FM and CKER-FM Edmonton. This application was scheduled on the agenda of the 11 September 2006 Québec Public Hearing.

2. The Commission's determination that the Grande Prairie market can support the introduction of three new commercial FM radio stations is set out in *Licensing of new radio stations to serve Grande Prairie, Alberta – Introduction to Broadcasting Decisions CRTC 2006-621 to 2006-624*, Broadcasting Public Notice CRTC 2006-144 (Public Notice 2006-144) of today's date. That public notice also summarizes the rationale underlying the Commission's approval of the applications by Bear Creek, Vista and Hunsperger to serve Grande Prairie.
3. In *Denial of applications proposing radio service for Grande Prairie, Alberta*, Broadcasting Decision CRTC 2006-624, also dated today, the Commission has denied the competing applications for broadcasting licences to operate new radio stations in Grande Prairie by 1097282 Alberta, Newcap, O.K. Radio, Sun Country, Pattison, Crude and Standard.

### **The application**

4. Vista is a wholly-owned subsidiary of Vista Broadcast Group Inc. resulting from the amalgamation of Drew Media Inc., Boundary Broadcasting Ltd., Cariboo Central Interior Radio Inc. and Valley Broadcasters Ltd. Vista is the licensee of a number of radio stations in the interior region of British Columbia.
5. Vista proposed to establish an English-language, commercial FM radio station that would operate at 104.7 MHz (channel 284C) with an effective radiated power (ERP) of 100,000 watts. The proposed station would offer a Classic Rock music format designed to appeal to listeners 35 to 44 years of age. A minimum of 35% of all musical selections from content category 2 (Popular Music) broadcast both during the broadcast week and between 6 a.m. and 6 p.m. Monday through Friday would be Canadian selections, which conforms to the minimum requirements set out in the *Radio Regulations, 1986*.
6. The proposed station would broadcast a total of 10 hours and 24 minutes of structured spoken word programming each broadcast week, including six hours of news. At least 80% of all news would be local.
7. At the hearing, the Commission also explored with Vista its plans for the use of voice-tracking, automation or live-to-air programming. Vista indicated that all programming on its proposed station would be live programming.
8. Vista indicated that it would participate in the Canadian talent development (CTD) plan created by the Canadian Association of Broadcasters (CAB). Under this plan, a radio licensee serving a market the size of Grande Prairie is required to contribute a minimum of \$400 in each broadcast year to eligible third parties for the development of Canadian

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<sup>3</sup> On 31 August 2006, Vista Radio Ltd., CFCP Radio Ltd., CCIR Holdings Ltd. and Coast Radio Ltd. amalgamated as Vista Radio Ltd.

talent. Vista indicated that, including the \$400 required under the CAB plan, it would devote \$71,428 in direct expenditures to CTD per year, resulting in a total of \$500,000 over seven consecutive broadcast years, upon commencement of operations. Annual expenditures would be allocated as follows:

- \$12,500 to the “Music in Schools” program;
- \$12,500 to the Alberta Recording Industries Association;
- \$36,428 to the applicant’s “Front and Centre” program to assist musical talent;
- \$5,000 to the Foundation Assisting Canadian Talent on Recordings (FACTOR); and
- \$5,000 to the Radio Starmaker Fund.

9. At the hearing, the applicant indicated that it had decided that the Front and Centre program would duplicate the work of FACTOR, and that it would instead redirect the funds originally intended for the Front and Centre initiative to FACTOR.

### **Interventions**

10. The Commission received an intervention in support of this application from The Canadian Society For The Recording Arts, as well as an intervention from the Canadian Independent Record Production Association (CIRPA).
11. Regarding all of the applications for broadcasting licences to serve Grande Prairie, CIRPA raised general issues pertaining to Canadian content, ownership, diversity of formats and the development of Canadian talent. CIRPA especially noted the lack of support for FACTOR and for other established third party organizations focused on the development of Canadian talent. CIRPA noted that it is not generally supportive of private funds administered by stations, station-sponsored talent contests and training programs which, in its view, provide little tangible benefit to the recording industry. Moreover, CIRPA indicated that it is not supportive of Canadian “artist spotlight” programs, if they are relegated to low-listener time periods. CIRPA also indicated its desire for clearer definitions of “emerging” and “developing” artists, in the context of proposed CTD initiatives.
12. With specific reference to the Vista application, CIRPA expressed the view that the applicant should redirect its funding from its proposed Front and Centre initiative to FACTOR. CIRPA also offered that Vista’s “Music in Schools” initiative appears to be similar to the MusicCan program already established by the Canadian Academy of Recording Arts and Sciences (CARAS), and suggested that funds be directed to that initiative rather than replicating the MusicCan infrastructure.

13. CIRPA also disagreed with the applicant's contention that there is insufficient Canadian content to support a 40% Canadian content level.
14. Vista did not reply to the interventions.

### **Commission's analysis and determinations**

15. In Public Notice 2006-144, the Commission set out its determination that, on the basis of the strength of the Grande Prairie market and the current profitability of Grande Prairie commercial radio stations, the Grande Prairie radio market could support the introduction of three new commercial radio stations to serve Grande Prairie, including the station proposed by Vista, without an undue negative impact on existing stations.
16. The Commission considers that the proposed Classic Rock music format to be offered by Vista would provide increased programming diversity for Grande Prairie listeners aged 35 to 44. The station would broadcast a weekly total of 10 hours and 24 minutes of structured spoken word programming, including 6 hours of news, at least 80% of which would be local.
17. The Commission is further of the view that the proposed Vista radio station would provide significant support for Canadian musical artists, based on the applicant's commitment to devote \$500,000 to CTD over seven consecutive broadcast years, upon commencement of operations. Vista would also provide a new radio voice in Grande Prairie and would increase competition in the local radio market.
18. The Commission notes the concerns expressed by CIRPA. The Commission considers that the initiatives proposed by the applicant would provide valuable support for the development of Canadian talent. Furthermore, the Commission notes Vista's indication that the funds allocated for the "Front and Centre" CTD initiative would instead be directed to FACTOR.
19. In light of all of the above, the Commission **approves** the application by Vista Radio Ltd. for a broadcasting licence to operate an English-language, commercial FM radio programming undertaking at Grande Prairie. The new station will operate at 104.7 MHz (channel 284C) with an ERP of 100,000 watts.
20. The Commission notes the applicant's proposed contribution to CTD. A **condition of licence** is set out in the appendix to this decision requiring the applicant to adhere to its commitments to minimum annual financial contributions to CTD. The Commission expects the applicant to contribute a total of \$500,000 over a period of seven consecutive broadcast years, upon commencement of operations, as proposed.
21. The Commission also notes the commitment made by Vista that all programming on the new station will be broadcast live, and expects the applicant to adhere to this commitment throughout the licence term.

22. The licence to be issued to Vista will expire 31 August 2013. It will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, as well as to the **conditions** set out in the appendix to this decision.

### **Cultural diversity**

23. In *Commercial Radio Policy, 1998*, Public Notice CRTC 1998-41, 30 April 1998, the Commission encouraged broadcasters to reflect the cultural diversity of Canada in their programming and employment practices.
24. The Commission expects Vista to reflect the cultural diversity of Canada in its programming and employment practices.

### **Issuance of the licence**

25. 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.
26. 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.
27. Furthermore, the licence for this undertaking 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 15 November 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

## **Employment equity**

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

Secretary General

*This decision is to be appended to the 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>*

## Appendix to Broadcasting Decision CRTC 2006-622

### Conditions of licence

1. The licence will be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999 (Public Notice 1999-137).
2. Including the amount required under condition of licence number 5 set out in Public Notice 1999-137, upon commencement of operations, the licensee shall contribute an annual minimum of \$71,428 to the development and promotion of Canadian talent, allocated as follows:
  - \$12,500 to the Music in Schools program;
  - \$12,500 to the Alberta Recording Industries Association;
  - \$41,428 to the Foundation Assisting Canadian Talent on Recordings (FACTOR); and
  - \$5,000 to the Radio Starmaker Fund.

The Commission reminds the licensee that all Canadian talent development (CTD) expenditures must be made in accordance with the Commission's policy on qualifying contributions to CTD, as set out in Appendix 1 to *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.