



## Broadcasting Decision CRTC 2006-93

Ottawa, 24 March 2006

**René Ferron, on behalf of a corporation to be incorporated**  
Montréal, Quebec

*Application 2005-0352-5*  
*Public Hearing in the National Capital Region*  
*14 November 2005*

### **Specialty FM radio station in Montréal**

*The Commission **denies** an application for a broadcasting licence to operate a specialty French-language commercial FM radio station in Montréal.*

### **The application**

1. The Commission received an application by René Ferron, on behalf of a corporation to be incorporated (Mr. René Ferron), for a broadcasting licence to operate a specialty French-language commercial FM radio programming undertaking in Montréal at 106.3 MHz (channel 292B1) with an average effective radiated power (ERP) of 500 watts.
2. The application was placed on the agenda of the public hearing of 14 November 2005 along with two other applications that were competitive on a technical basis: the application by International Harvesters for Christ Evangelistic Association Inc. to operate an FM commercial religious radio programming undertaking in Montréal at 106.3 MHz (channel 292A) with an average ERP of 324 watts, and the application by Astral Media Radio Inc. (Astral) to change the contours of CFEI-FM by increasing the ERP from 3,000 watts to an average ERP of 33,200 watts and by relocating the transmitter. CFEI-FM currently broadcasts at 106.5 MHz. These two applications are addressed in separate decisions also issued today.<sup>1</sup>
3. The applicant proposed to broadcast 126 hours of programming per week, all of which would be local. The primary purpose of this programming would be to bring the members of different cultural communities and those born in Canada closer together.

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<sup>1</sup> See *Christian music FM radio station*, Broadcasting Decision CRTC 2006-92, 24 March 2006, and *CFEI-FM Saint-Hyacinthe – Technical changes*, Broadcasting Decision CRTC 2006-94, 24 March 2006.

4. In each broadcast week, 60% of all musical selections broadcast would be drawn from category 2 (popular music), with 45% from subcategory 21 (pop, rock and dance) and 15% from subcategory 24 (easy listening). The remaining 40% would be drawn from category 3 (special interest music), with 15% from subcategory 31 (concert), 5% from subcategory 32 (folk and folk-oriented) and 20% from subcategory 33 (world beat and international). These categories of music are defined in *Revised Content Categories and Subcategories for Radio*, Public Notice CRTC 2000-14, 28 January 2000.
5. The proposed station would broadcast 17 hours a week of spoken word programming. These programs would present interviews and stories about various countries and features intended to promote better knowledge of the some 150 cultural communities in the Montréal region. The proposed station would not broadcast news bulletins or news.
6. The applicant committed to contribute \$27,000 per year to Canadian talent development and to pay this contribution to a third party deemed eligible by the Commission. In addition, the applicant committed to make an additional contribution of \$3,000 per year to an internal project to support local artists.

## **Interventions**

7. The Commission received interventions supporting and opposing this application, and one comment.
8. All the interventions supporting this application were in favour of French-language programming that responds to multicultural dynamics and that aims to bring the various cultural communities in Montréal closer together.
9. The opposing interventions were submitted by Canadian Hellenic Cable Radio Ltd. (CHCR), licensee of CKDG-FM Montréal, Astral, on behalf of CFEI-FM Saint-Hyacinthe, and the Association des radiodiffuseurs communautaires du Québec (ARCQ).
10. CHCR stated that it was concerned about the process by which the Commission published the application without first issuing a call for applications. CHCR noted that the Commission recently approved four radio stations in Montréal and stated that it was simply too early to consider others. According to CHCR, the Montréal market needs time to adjust and find a fair balance.
11. Astral argued that the applicant's use of frequency 106.3 MHz would prevent it [Astral] from increasing the power of CFEI-FM as proposed in its application considered at the same public hearing. Astral also submitted that the quality of reception of its station's signal could be diminished if the applicant were to use frequency 106.3 MHz.

12. The ACRQ opposed the granting of licences to new stations in the Montréal market. It noted that the imbalance in the advertising market caused by the arrival of new alternative and specialty stations, and the concentration of media, have created an almost unbearable situation for community radio stations in Montréal.
13. In its comments, the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ) underlined the importance of the commitments that applicants must make with respect to Canadian content, French-language vocal music and Canadian talent development.

#### **Applicant's reply**

14. In reply to Astral's intervention, the applicant said that the increase in the power of CFEI-FM Saint-Hyacinthe proposed by Astral would not help solve the problem that Astral identified. The applicant submitted that under the technical solution put forward by Astral, CFEI-FM would end up serving the Montréal market. According to the applicant, the use of the last available frequency in Montréal would thus be compromised, even though Astral did not indicate how it would meet the specific expectations of the Montréal market. The applicant added that the increase in power proposed by Astral would compromise the feasibility of the plan it submitted to the Commission, the aim of which is to establish a station in Montréal dedicated to the sole objective of bringing together members of different cultural communities and people born in Canada.
15. In reply to the ACRQ, the applicant submitted that the proposed programming would be different from and complementary to that of all existing radio services in Montréal.
16. In his reply to ADISQ, Mr. René Ferron committed to contribute \$27,000 per year to MusicAction from his direct contributions in order to develop Canadian talent as mentioned above. He also noted his commitment to make an additional contribution of \$3,000 per year to an internal project to support local artists.
17. The applicant did not reply to the intervention by CHCR.

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

18. The Commission considers that the proposed service will have rather limited commercial impact on the Montréal market. The proposed station would target a small specialized audience, and the projected advertising revenue is on the low side. Consequently, the Commission determined that it was not necessary in the circumstances to issue a call for applications, given that the Commission stated in *The Issuance of Calls for Radio Applications*, Public Notice CRTC 1999-111, 8 July 1999, that it would not issue calls for applications in certain specific situations, among them applications for low-power stations and other proposals with little or no commercial potential.

19. Section 3(1)(d)(iii) of the *Broadcasting Act* (the Act) states that the programming offered by the Canadian broadcasting system should serve the needs and interests, and reflect the circumstances and aspirations, of Canadian men, women and children, including equal rights, the linguistic duality and multicultural nature of Canadian society and the special place of aboriginal peoples within that society.
20. The Commission notes Mr. René Ferron's intention to offer programming that furthers the objectives of the Act. In his application, the applicant stated that he could establish [TRANSLATION] "a network of collaborators from the greatest possible number of Montréal communities." He added that this network would offer [TRANSLATION] "programming that is designed to bring members of the different cultural communities closer together" and that it would [TRANSLATION] "bring down the barriers around numerous ghettos." All this [TRANSLATION] would occur "with the collaboration of various existing organizations (various levels of government)."
21. However, based on its examination of the application, the Commission considers that Mr. René Ferron has not shown that he has the knowledge or resources needed to serve the target audience. The applicant explained in detail the purpose of the proposed station, but did not provide specific, detailed plans indicating how the station would meet the needs of the cultural communities he wants to reach.
22. Regarding the music programming of the station, the Commission notes that the applicant proposed to offer music from subcategories 21, 24, 31, 32 and 33. Considering the proposed objective of a station that would be known as "Radio monde," the Commission would have expected the amount of music from subcategory 33 (world beat and international) to be higher than the proposed 20%. The Commission also notes that the applicant planned to draw 45% of its music from subcategory 21 (pop, rock and dance), a subcategory of music that is already widely available on the FM band in the Montréal market.
23. The Commission recognizes the effort made by Mr. René Ferron to offer radio programming that complements what is already offered in the Montréal market. However, the Commission notes the absence of details concerning how the proposed mandate for the station would be carried out, including the availability of the resources required for this purpose.
24. In the light of the foregoing, the Commission **denies** the application by René Ferron, on behalf of a corporation to be incorporated, for a broadcasting licence to operate a specialty French-language commercial FM radio programming undertaking in Montréal.

Secretary General

*This decision 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>*