



Broadcasting Decision CRTC 2007-342

Ottawa, 30 August 2007

Standard Radio Inc.

Calgary, Alberta

Application 2007-0254-9, received 16 February 2007

Broadcasting Public Notice CRTC 2007-63

12 June 2007

CIBK-FM Calgary – Licence renewal

The Commission renews the broadcasting licence for the English-language, commercial radio programming undertaking CIBK-FM Calgary, from 1 September 2007 to 31 August 2011. This short-term renewal will permit the Commission to review, at an earlier date, the licensee's compliance with its conditions of licence relating to contributions to the development of Canadian talent and content.

The application

1. The Commission received an application by Standard Radio Inc. (Standard) to renew the broadcasting licence for the English-language, commercial radio programming undertaking CIBK-FM Calgary. The current licence expires 31 August 2007.
2. In Broadcasting Public Notice 2007-63, the Commission noted that the licensee may have failed to comply with the requirements regarding its contributions to Canadian talent development (CTD) for the broadcast years 2003 and 2004.
3. The Commission received an intervention offering general comments by the Canadian Independent Record Production Association (CIRPA). Standard did not reply to this intervention.

Non-compliance

4. In a letter dated 3 April 2007, the Commission advised Standard that, for the broadcast years 2003 and 2004, the licensee was in apparent non-compliance with its conditions of licence relating to contributions to the Canadian Association of Broadcasters' (CAB's) former CTD plan. The Commission's determination on Standard's fulfillment of its shortfall will be assessed as part of CIBK-FM's annual return for 2007.
5. In its letter of reply dated 10 April 2007, Standard indicated that this shortfall in CTD expenditures would be made up no later than 31 August 2007.

Commission's analysis and determinations

6. The Commission has reviewed the renewal application and the licensee's file. The Commission notes that this represents Standard's first non-compliance with respect to CIBK-FM's required CTD contributions and that the licensee has indicated that it has put in place measures necessary to solve the problem brought about by the apparent non-compliance. However, given that the CTD contributions specified in the applicable conditions of licence were to be disbursed on an annual basis, the Commission determines that it is appropriate to renew the licence for a short-term period of four years, in accordance with Circular No. 444. This short-term renewal will enable the Commission to assess, at an earlier date, the licensee's compliance with its conditions of licence relating to its outstanding contributions to Canadian talent development, as well as with its condition of licence relating to its upcoming contributions to Canadian content development, which are discussed below.
7. Accordingly, the Commission **renews** the broadcasting licence for the English-language, commercial radio programming undertaking CIBK-FM Calgary, from 1 September 2007 to 31 August 2011.
8. The licence will be subject to the **conditions** set out in Public Notice 1999-137, as well as to the terms and **conditions of licence** set out in the appendix to this decision.

Canadian content development

9. In its *Commercial Radio Policy 2006* (Broadcasting Public Notice 2006-158), the Commission set out a new approach to the development and promotion of Canadian artists. In order to reflect a new emphasis on development initiatives that lead to the creation of audio content for broadcast using Canadian resources, the Commission replaced the expression "Canadian talent development" (CTD) with "Canadian content development" (CCD). Under the new policy, each radio station holding a commercial radio licence is required to make a basic annual CCD contribution based on its total broadcast revenues in the previous broadcast year. This requirement will be reflected in the *Radio Regulations, 1986* (the Regulations). Until such time, it will be implemented by a transitional **condition of licence**, as set out in the appendix to this decision. This condition of licence will expire upon the coming into force of the amendments to the Regulations.

Additional Canadian talent development expenditures

10. In Decision 2001-172, the Commission approved an application by Standard for a licence to operate a new, English-language commercial FM radio programming undertaking to serve Calgary. As stated in that decision, Standard was required to file, within three months of the date of that decision, information detailing the eligible Canadian talent initiatives to which a disqualified annual \$85,000 CTD budget would be

redirected. Subsequently, Standard provided the following breakdown of the \$85,000 amount: \$40,000 per broadcast year to Aboriginal Voices Radio Inc. (AVR) and \$45,000 per broadcast year towards a CTD coordinator. Commission records show that Standard paid its amount to AVR in full in 2003, thereby reducing its redirected annual CTD budget to \$45,000.

11. Although the licence for CIBK-FM was granted by the Commission in 2001, the radio programming undertaking did not begin operations until 2003. As such, the licensee has remaining expenditures to CTD totalling \$660,000 per broadcast year that will expire at the conclusion of the 2008/2009 broadcast year. Standard's commitments relating to these expenditures are set out in the appendix to this decision as **conditions of licence**. Amounts required under these conditions of licence may be deducted from the amounts that will be required under the new basic CCD contribution.

Employment equity

12. 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

Related documents

- Broadcasting Public Notice CRTC 2007-63, 12 June 2007
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Practices regarding radio non-compliance*, Circular No. 444, 7 May 2001
- *Three new radio stations to serve Calgary*, Decision CRTC 2001-172, 12 March 2001
- *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999

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 2007-342

Terms and conditions of licence

Terms

The licence will take effect 1 September 2007 and will expire 31 August 2011.

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, with the exception of condition of licence number 5.
2. The licensee shall devote, in each broadcast week, a minimum of 40% of its musical selections from content category 2 to Canadian selections broadcast in their entirety.
3. In the 2007/2008 and 2008/2009 broadcast years, the licensee shall make direct expenditures of at least \$660,000 per broadcast year on the following Canadian talent development (CTD) initiatives:

CTD initiative	Amount of contribution
Developing Urban Stars	\$390,000
Urbanet.com Web site	\$25,000
Carifest Festival	\$25,000
Prairie Music Week	\$25,000
FACTOR	\$100,000
Designated Group Fund	\$50,000
CTD coordinator	\$45,000

With respect to “Developing Urban Stars,” the Commission expects the licensee to adhere to its commitment to file an annual report containing detailed financial statements regarding its expenditures on each of the sub-initiatives it proposed to contribute to this larger CTD project.

With respect to the “Designated Group Fund,” the licensee shall devote funding exclusively to the development of musical or other artistic talent. Expenditures on station internships or for courses on broadcasting shall not qualify as acceptable under the Commission’s policy respecting CTD.

4. In regard to Canadian content development (CCD):

- a) The licensee shall make a basic annual contribution to CCD. The amount of this contribution shall be determined in accordance with the *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006 (Broadcasting Public Notice 2006-158), as amended from time to time.
- b) The licensee shall allocate 60% of its basic annual CCD contribution to FACTOR or MUSICACTION.
- c) The remaining amounts of this basic annual contribution shall be allocated to eligible parties and activities as defined in Broadcasting Public Notice 2006-158.

Amounts required under the conditions of licence relating to Canadian talent development initiatives may be deducted from the amounts that will be required under the new basic CCD contribution.

This condition of licence shall expire upon the coming into force of the amendments to the *Radio Regulations, 1986* relating to CCD.