



## Broadcasting Notice of Consultation CRTC 2011-453

PDF version

Ottawa, 29 July 2011

### Call for applications for AM radio stations to serve Montréal using the frequencies 690 kHz and 940 kHz

*The Commission calls for applications for one or more radio stations to serve Montréal using the frequencies 690 kHz and 940 kHz. Persons interested in responding to this call must submit a duly completed application to the Commission by **29 August 2011**.*

*The notice of consultation announcing the public hearing to consider the applications received in response to this call will be published on **7 September 2011** and interested parties will have until **22 September 2011** to submit their interventions. Applicants will have an opportunity to respond to interventions by **27 September 2011**. The Commission will hold the public hearing commencing on **17 October 2011** at a location to be determined.*

#### Introduction

1. In Broadcasting Notice of Consultation [2011-336](#), the Commission announced that it had received applications by Metromedia CMR Broadcasting (Metromedia) for broadcasting licences to operate AM commercial radio services in Montréal using the frequencies 690 kHz and 940 kHz. Metromedia's applications were to be considered at the 18 July 2011 non-appearing public hearing in the National Capital Region.
2. In light of the interventions received, the Commission decided not to proceed with these applications as non-appearing items. Accordingly, in Broadcasting Notice of Consultation [2011-336-2](#), Metromedia's applications were withdrawn from the 18 July 2011 hearing. At that time, the Commission noted that Metromedia's applications would be considered as part of an appearing hearing at a later date.
3. The Commission is of the view that a call for applications for one or more radio stations in Montréal using of the frequencies 690 kHz and 940 kHz is warranted and accordingly calls for applications from other interested parties. Persons interested in responding to this call must submit a duly completed application to the Commission by **29 August 2011**, using the appropriate application [form](#) for a licence to operate a new radio station. Applicants are also required to submit all necessary technical documentation to the Department of Industry (the Department) by the same date.
4. **Applicants should note that their proposals will be considered as submitted. If an application is deemed incomplete, it will be returned. If clarifications**

**are required, these will be addressed at the hearing to consider the applications received in response to this call.**

5. It should be noted that in issuing this call, the Commission has not reached any conclusion concerning the licensing of any service at this time.
6. Applicants will be required to provide evidence giving clear indication that there is demand and a market for the proposed service.

### **Factors for evaluation of applications**

7. In assessing applications for new commercial radio services in a market, the Commission will consider the following factors, which were first set out in Decision [1999-480](#).

#### **Quality of the application**

8. In its analysis, the Commission will evaluate the applicant's programming proposal and commitments in a number of areas. One of these areas is the manner in which the applicant will reflect the local community, including the community's diversity and distinct nature. Accordingly, the Commission will consider commitments concerning local programming and the benefits that such programming will bring to the community.
9. The Commission will also consider commitments regarding the percentage of musical selections devoted to Canadian content, contributions to Canadian content development and, where applicable, the percentage of French-language vocal music.
10. The Commission does not regulate the format of AM stations. The Commission will however assess the applicant's business plan in light of the proposed format since the two are interrelated. The business plan should clearly demonstrate the applicant's ability to fulfill its proposed programming plans and commitments. Further, the Commission will examine the programming proposals submitted by the applicants to determine which overall proposal best suits the market and will make optimal use of the proposed frequency.

#### **Diversity of news voices in the market**

11. This factor relates to concerns regarding concentration of ownership and cross media ownership. The Commission has stated that it seeks to strike a balance between its concerns for preserving a diversity of news voices in a market and the benefits of permitting increased consolidation of ownership within the radio industry.
12. The Commission will therefore assess how approval of the application would enhance or maintain the diversity of voices available in the market, as well as increase the diversity of programming available to listeners.

### **Market impact**

13. The possibility that licensing too many stations in a market could lead to a reduction in the quality of service to the local community remains of concern to the Commission. The economic condition of the market and the likely financial impact of the proposed station on existing stations in the market will therefore be relevant.
14. The Commission will therefore evaluate how the proposed station's programming, general and core target audience and projected audience share overlap those of stations already present in the market. While the Commission may also consider the profitability of existing stations in the market in its assessment of the impact of the proposed station on existing ones, this will be only one factor in its evaluation.

### **Competitive state of the market**

15. In markets with fewer than eight commercial stations operating in a given language, the Commission's common ownership policy permits a person to own a maximum of three stations, with a maximum of two in any one frequency band. In markets with eight commercial stations or more, a person may own a maximum of two FM and two AM stations operating in any given language. The concentration of ownership resulting from this policy may increase the possibility of competitive imbalance in a radio market.
16. The Commission will therefore consider factors such as the number of radio stations that an applicant already owns in the market, the profitability of its station(s) and the concentration of ownership in that market in making its decision.

### **Importance of factors**

17. The relative importance of each of the factors set out above will vary in each case depending on the specific circumstances of the market.

### **Financial summary for the Montréal radio market**

18. For the convenience of interested parties, the [financial summaries](#) for the Montréal radio market are attached to this notice of consultation.

### **Technical approval from the Department of Industry**

19. The Commission intends to consider the applications at a public hearing. However, the Commission advises applicants that it will withdraw any application from the public hearing if it is not advised by the Department that the application is technically acceptable **at least 20 days prior to the first day of the hearing.**

## Eligibility of applicant

20. The Commission also reminds applicants that they must comply with the eligibility requirements set out in the *Direction to the CRTC (Ineligibility of Non-Canadians)* and the *Direction to the CRTC (Ineligibility to Hold Broadcasting Licences)*.

## Deadlines relating to the hearing

21. The notice of consultation announcing the public hearing to consider the applications received in response to this call will be published on **7 September 2011** and interested parties will have until **22 September 2011** to submit their interventions. Applicants will have an opportunity to respond to interventions by **27 September 2011**. The Commission will hold the public hearing commencing on **17 October 2011** at a location to be determined.
22. Notice of each application will also be published in newspapers of general circulation within the area to be served.
23. Applications filed in response to this call must be submitted in electronic form using Access Key. For instructions on how to file applications using Access Key, consult the Commission website at [http://www.crtc.gc.ca/eng/forms/form\\_201.htm](http://www.crtc.gc.ca/eng/forms/form_201.htm). Applicants who are unable to file their applications using Access Key should contact the Commission's single point of contact for small undertakings at 1-866-781-1911.
24. The new *Canadian Radio-Television and Telecommunications Commission Rules of Practice and Procedure* (the Rules of Procedure) set out, among other things, the rules for filing, content and format of applications, as well as the procedure for filing confidential information and requesting its disclosure. Accordingly, the procedure set out in the notice of consultation announcing the public hearing must be read in conjunction with the Rules of Procedure and its accompanying documents, which can be found on the Commission's website under "CRTC Rules of Practice and Procedure."

Secretary General

## Related documents

- Broadcasting Notice of Consultation CRTC [2011-336-2](#), 18 July 2011
- Broadcasting Notice of Consultation CRTC [2011-336](#), 19 May 2011
- *Introductory statement – Licensing of new radio stations*, Decision CRTC [1999-480](#), 28 October 1999