



Broadcasting Decision CRTC 2011-622

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Route reference: 2011-188

Ottawa, 27 September 2011

Dufferin Communications Inc.
Township of Muskoka Lakes, Ontario

Application 2010-1803-6, received 9 December 2010
Public hearing in the National Capital Region
17 May 2011

English-language FM radio station in the Township of Muskoka Lakes

*The Commission **denies** the application by Dufferin Communications Inc. for a broadcasting licence to operate an English-language commercial FM radio station in the Township of Muskoka Lakes.*

Introduction

1. The Commission received an application by Dufferin Communications Inc. (Dufferin) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in the Township of Muskoka Lakes, Ontario. The new station would operate at 104.7 MHz (channel 284B) with an average effective radiated power of 40,000 watts (non-directional antenna with an effective height of antenna above average terrain of 57.5 metres). The applicant submitted that its proposed station would provide a first service to the market of the Township of Muskoka Lakes.
2. The station would offer an Adult Contemporary musical format. The applicant indicated that it would broadcast a minimum of 126 hours of local programming during each broadcast week, of which approximately 3 hours would be devoted to pure news. Dufferin also committed to a total spoken word level of approximately 31 hours during each broadcast week. Spoken word would include news, weather, sports and a number of specialty spoken word segments relevant to its listening audience, such as Community Calendar, All Season Report, Health Watch and Business Report.

Interventions

3. The Commission received interventions in support of the application. Supporting interveners considered that the programming of the proposed station would be attractive to both listeners and advertisers.

4. The Commission also received opposing interventions from Twin Lakes Broadcastings (Twin Lakes), William Wrightsell, Larche Communications Inc. (Larche), Bayshore Broadcasting Corporation (Bayshore), Rock 95 Broadcasting Ltd. (Rock 95), Haliburton Broadcasting Group Inc. (Haliburton) and MZ Media Inc. (MZ Media). The public record for this proceeding can be found on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
5. The majority of opposing interveners submitted that the proposed FM station would not provide a first service in the market, as stated by Dufferin in its application. In support of their position Twin Lakes, Bayshore and Rock 95 argued that Port Carling in Muskoka Lakes was already served by other radio stations, namely CFBG-FM Bracebridge, CFBK-FM Huntsville, CKLP-FM Parry Sound and CISO-FM Orillia.
6. Both Twin Lakes and Rock 95 further submitted that the applicant's coverage contours clearly suggest that the proposed station would serve not only the Township of Muskoka Lakes but also the entire district of Muskoka and the Parry Sound region. In addition, Larche noted that the 0.5mV/m contour of the proposed station would encompass portions of the Midland and Orillia BBM cells.
7. William Wrightsell and Haliburton submitted that the applicant's technical parameters illustrate that the proposed station would serve a market that was already covered by CFBG-FM. Furthermore, Haliburton, licensee of CFBG-FM, stated that the application should not be considered as a first service because the township of Muskoka Lakes is an integral part of CFBG-FM's listening and trading area.
8. In its intervention, MZ Media stated that it would be unfair for the Commission to approve Dufferin's application before it considered MZ Media's application for a rebroadcasting transmitter in Collingwood. MZ Media was of the view that Dufferin's application should be considered at the same time as other applications for FM services in Ontario.

Applicant's reply

9. In reply to the interventions from Bayshore, Larche, William Wrightsell and Rock 95, the applicant reiterated its position that its proposed station would represent a first service in the market and that the market is not currently served by radio stations in the region. It argued that although other radio stations can be "heard" in the Township of Muskoka Lakes, they do not serve the market. Furthermore, the applicant argued that the proposed primary contour (3mV/m) for its station did not encompass neighbouring towns for which a radio service had been licensed. Dufferin further submitted that the primary contours of existing and proposed stations for Bracebridge and Gravenhurst did not encompass the Township of Muskoka Lakes.
10. In reply to the intervention from Haliburton, the applicant argued that its proposed service would represent a first service and that it would have little impact on CFBG-FM. It submitted that although there would be some overlap between the contour of the proposed service and the contour of CFBG-FM, the population in the

overlapping area would represent only a small percentage of the population covered by CFBG-FM's primary contour.

11. In reply to MZ Media, the applicant maintained that its proposed FM station would represent a first service for the Township of Muskoka Lakes. The applicant also stressed that proceeding with its application would not be detrimental to MZ Media since there were other frequencies available that would provide adequate coverage to the Collingwood market.

Commission's analysis and determinations

12. The Commission notes that the applicant stated that it was proposing a first service for the Township of Muskoka Lakes. However, a review of its technical parameters shows that a significant portion of the 9,755 inhabitants within the primary contour of the proposed station are also within the primary contour of CFBG-FM. As a result, the Commission considers that the technical parameters of the applicant are such that it would serve a market already served by CFBG-FM. Consequently, the Commission does not consider that this application is for a first service in the market.
13. Having considered the market identified by the applicant and its projected revenues to be derived from that market, as well as the financial performance of CFBG-FM, the Commission considers that the introduction of a new station in Muskoka Lakes could have a considerable negative financial impact on CFBG-FM.
14. Accordingly, the Commission **denies** the application by Dufferin Communications Inc. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in the Township of Muskoka Lakes, Ontario.

Secretary General