



## Broadcasting Decision CRTC 2011-699

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Route reference: 2011-336

Ottawa, 10 November 2011

### Small Town Radio

Port Hope, Ontario

*Application 2011-0372-0, received 22 February 2011*

*Public hearing in the National Capital Region*

*18 July 2011*

### English-language community FM radio station in Port Hope

*The Commission **approves** an application for a broadcasting licence to operate an English-language community FM radio station in Port Hope, Ontario.*

#### The application

1. The Commission received an application by Small Town Radio (STR) for a broadcasting licence to operate an English-language community FM radio programming undertaking in Port Hope, Ontario.
2. STR is a not-for-profit organization controlled by its board of directors.
3. The station would operate at 89.7 MHz (channel 209A) with an effective radiated power of 700 watts (non-directional antenna with an effective height of antenna above average terrain of 9 metres).<sup>1</sup>
4. In Broadcasting Regulatory Policy 2010-499 (the Campus and community radio policy), the Commission announced a number of changes to the regulatory framework for campus and community radio stations. STR confirmed that it would adhere to the changes set out in that policy.
5. The applicant indicated that the station would broadcast 126 hours of programming per broadcast week, of which 112 hours would be station-produced programming and 14 hours would be acquired programming, which the applicant indicated may be obtained from other community radio stations.
6. The applicant further indicated that the station's musical programming would be drawn from a range of content category 2 (Popular Music) and content category 3 (Special Interest Music) musical selections.

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<sup>1</sup> These technical parameters reflect those approved by the Department of Industry.

7. In regard to spoken word programming, STR indicated that it would provide opportunities to develop programs that serve the interests of the community. It further indicated that it would report weekly on a variety of issues on economic development, as well as proceedings at municipal council meetings, and other special events. The applicant added that it would give students a chance to host a radio program and provide updates on events and high school happenings.
8. In the area of promoting local talent, STR stated that it is committed to providing significant airplay to recordings produced by local instrumental groups, choirs and soloists, and to recorded live stage performances. It indicated that it would provide live broadcasts for many locally staged concerts and dramas, in addition to interviews with notable experts in a variety of areas, including politics, business, health and social affairs.
9. STR stated that volunteers would be responsible for providing or producing the majority of the station-produced programming. Volunteers would be trained in the different facets of the station operation, including program development and production, broadcasting, technical, writing, and news reporting. They would also be trained on the policies relevant to the station's broadcasting licence, and on the community standards policies developed by the station.
10. The Commission received several interventions in support of this application, as well as interventions in opposition from Pineridge Broadcasting (Pineridge), licensee of CKSG-FM Cobourg and CHUC-FM Cobourg, commercial radio stations licensed to serve Cobourg/Port Hope and the rest of Northumberland County, and from MZ Media Inc. (MZ Media), licensee of the classical music station CFMX-FM Cobourg. The public record for this proceeding is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."

### **Commission's analysis and decisions**

11. After examining the public record for this application in light of applicable regulations and policies, the Commission considers that the issues it must address relate to the following:
  - the financial impact on incumbent stations; and
  - the applicant's programming plans.

### **Financial impact on incumbent stations**

12. In its intervention, Pineridge submitted that STR's projected revenue (which amounts to \$230,000 per year) would have a negative financial impact on its own stations. MZ Media submitted that the financial projections presented by STR are highly speculative and that in order for STR to meet its budget, it will "dump advertising avails in the marketplace," which will drive down advertising rates, impacting both MZ Media and Pineridge.

13. In reply to Pineridge and MZ Media, STR confirmed that its business plan seeks an average of \$230,000 of local advertising per year, which, in its view, is a small percentage of the market. It stated that a significant portion of its advertising revenues will be new money to radio, coming in the form of sponsorships for sporting events and other community activities. STR argued that it posed a minimal or no threat to the bottom line of Pineridge and MZ Media as the reach of their stations is far greater than the proposed reach of the STR operation. In this regard, STR stated that it would draw advertising only from its local coverage area of Cobourg, Port Hope and Hamilton Township.
14. In regard to concerns over the potential market impact on the incumbents' existing commercial radio services, the Commission notes that the applicant's financial projections are reasonable and, if achieved, would be unlikely to cause undue impact on the incumbent stations in the region. The Commission is therefore satisfied that the applicant's reply adequately addresses the concerns raised by the interveners.

#### **Applicant's programming plans**

15. Pineridge submitted that the applicant's programming proposal for a local service is vague and inadequate, and that the local radio market is already saturated. MZ Media submitted that the proposed station's programming, as set out in STR's application, does not fulfill the objectives of the Campus and community radio policy and of the *Broadcasting Act*.
16. In reply to these concerns, STR indicated that it does not want to duplicate what is presently heard locally, and that its music programming will consist of easy listening music predominately from the 1940's and 1950's, folk music, country and western music, jazz and blues. The applicant stated that it intends to regularly feature music by local artists and to broadcast live and recorded performances of these artists. It further stated that its spoken word programming would be a venue for the community to share stories and experiences, and would be produced locally by volunteers. Finally, STR indicated that its local news content would focus on local events with a secondary focus on regional events.
17. As set out in the Campus and community radio policy, the Commission expects community-based radio stations to provide programming differing in style and substance from that provided by other elements of the broadcasting system, particularly commercial radio stations and the Canadian Broadcasting Corporation. Such programming should consist of music, especially Canadian music, not generally heard on commercial stations (including special interest music, as well as styles of popular music seldom broadcast), in-depth spoken word programming, and programming targeting specific needs and interests of the communities served by these stations, in ways that are not met by the commercial and public sectors.
18. Upon examination of the applicant's programming plans, the Commission is satisfied that the application is consistent with the provisions for community radio

stations set out in the Campus and community radio policy, and would serve to introduce community access programming to the market.

## **Conclusion**

19. In light of all of the above, the Commission **approves** the application by Small Town Radio for a broadcasting licence to operate an English-language, community FM radio programming undertaking in Port Hope, Ontario. The terms and **conditions of licence** are set out in the appendix to this decision.

Secretary General

## **Related documents**

- *Call for comments on amendments to the Radio Regulations, 1986*, Broadcasting Notice of Consultation CRTC 2011-173, 11 March 2011
- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010

*\*This decision is to be appended to the licence.*

# Appendix to Broadcasting Decision CRTC 2011-699

## Terms, conditions of licence, expectation and encouragement

### Terms

#### Issuance of the broadcasting licence to operate an English-language community FM radio programming undertaking in Port Hope, Ontario

The licence will expire 31 August 2018.

The station will operate at 89.7 MHz (channel 209A) with an average effective radiated power of 700 watts (non-directional antenna with an effective height of antenna above average terrain of 9 metres).

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.

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.

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 10 November 2013. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

### Conditions of licence

1. The licence will be subject to the conditions set out in *New licence form for community radio stations*, Public Notice CRTC 2000-157, 16 November 2000, with the exception of conditions of licence 1 and 9.
2. The licensee shall, during each broadcast week, devote a minimum of 15% of all programming to material from content category 1 (Spoken Word), as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time. All of this spoken word programming shall be locally produced (that is, produced by or exclusively for the licensee).
3. As an exception to section 2.2(8) of the *Radio Regulations, 1986*, the licensee shall, during each broadcast week, devote a minimum of 40% of all musical selections from content category 2 (Popular Music) to Canadian selections broadcast in their entirety.
4. The licensee shall adhere to the *Equitable Portrayal Code*, as amended from time to time and approved by the Commission.

## **Expectation**

### **Filing of ownership information**

As set out in *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010, the Commission expects all community and campus licensees to file yearly updates on the composition of their boards of directors. These annual updates can be submitted at the time of submission of annual returns, following annual board of directors' elections, or at any other time. As noted in Appendix 3 to that regulatory policy, licensees may submit such documentation via the Commission's website.

## **Encouragement**

### **Employment equity**

The Commission considers that community radio stations should be particularly sensitive to employment equity issues in order to reflect fully the communities they serve. It encourages the licensee to consider these issues in its hiring practices and in all other aspects of its management of human resources.