



Broadcasting Decision CRTC 2011-721

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Route reference: 2011-571

Additional references: 2011-571-1 and 2011-571-2

Ottawa, 21 November 2011

Various applicants

Montréal, Quebec

Public hearing in Montréal, Quebec

17 October 2011

AM radio stations in Montréal

*In this decision, the Commission **approves** an application by Bell Media Inc. and 7550413 Canada Inc., partners in a general partnership carrying on business as Bell Media Canada Radio Partnership, to amend the broadcasting licence for the English-language commercial AM radio station CKGM Montréal in order to change the frequency from 990 kHz to 690 kHz.*

*The Commission also **approves** an application by Dufferin Communications Inc. for a broadcasting licence to operate a French-language commercial AM radio station in Montréal at 990 kHz.*

*Further, the Commission **approves** an application by 7954689 Canada Inc. for a broadcasting licence to operate a French-language commercial AM radio station in Montréal at 940 kHz.*

*In addition, the Commission **denies** an application by 7954689 Canada Inc. for a broadcasting licence to operate an English-language commercial AM radio station in Montréal at 940 kHz.*

*The Commission also **denies** an application by Metromedia CMR Broadcasting Inc. for a broadcasting licence to operate an English-language commercial AM radio station in Montréal at 940 kHz.*

Introduction

1. In Broadcasting Notice of Consultation 2011-336, the Commission announced that it had received applications by Metromedia CMR Broadcasting Inc. (Metromedia) for broadcasting licences to operate commercial AM radio programming undertakings in Montréal, Quebec, at 690 kHz for a French-language station and at 940 kHz for an English-language station. Metromedia's applications were to be considered at the 18 July 2011 non-appearing public hearing in the National Capital Region.

2. Following publication of that notice, the Commission received interventions concerning Metromedia's applications. In light of the concerns raised in the interventions, the Commission decided not to proceed with these applications as non-appearing items. Accordingly, in Broadcasting Notice of Consultation 2011-336-2, the Commission announced that Metromedia's applications had been withdrawn from the 18 July 2011 hearing and indicated that Metromedia's applications would be considered as part of an appearing hearing at a later date.
3. On 29 July 2011, the Commission issued Broadcasting Notice of Consultation 2011-453 (the Call), in which it called for applications for one or more radio stations to serve Montréal at 690 kHz and 940 kHz. The Commission received five applications in response to the Call.
4. Following the Call, the Commission announced in Broadcasting Notice of Consultation 2011-571 that it would hold a hearing to consider the applications received. In that notice, the Commission noted that following the publication of Broadcasting Notice of Consultation 2011-336-2 and at Metromedia's request, Metromedia's application to operate a French-language commercial AM radio programming undertaking in Montréal at 690 kHz had been withdrawn and would not be rescheduled at a later date. Accordingly, in Broadcasting Notice of Consultation 2011-571, the Commission announced Metromedia's application to operate an English-language AM station at 940 kHz as well as the four other applications received. Certain of the five applications that were considered at the hearing are technically mutually exclusive. Whereas three proposed the use of 690 kHz, the other two proposed the use of 940 kHz. The applications were filed by the following applicants:
 - Metromedia CMR Broadcasting Inc.;
 - Dufferin Communications Inc. (Dufferin);
 - Bell Canada Inc. and 7440413 Canada Inc., partners in a general partnership carrying on business as Bell Media Canada Radio Partnership (Bell Media);
 - 7954689 Canada Inc. (application 2011-1236-7);
 - 7954689 Canada Inc. (application 2011-1237-5).

Proposed services

5. Details on the five applications received and considered in the present proceeding are set out in the paragraphs that follow. The applicants' original proposals are set out in Appendix 1, which describes each application in detail.

Metromedia

6. Metromedia proposed to operate an English-language commercial AM radio station at 940 kHz (Class A) with a daytime and night-time transmitter power of 50,000 watts.

The station's programming would be devoted to information on traffic and the obstacles caused by roadwork in the greater Montréal area. The applicant proposed to use the studio, transmitter and transmission site formerly used by CINW Montréal.¹ Through its parent company, Cogeco Diffusion Acquisitions inc., the applicant entered into a three-year agreement with the ministère des Transports du Québec (MTQ) for the broadcast of the aforementioned information, among other things, with a possibility of renewal.

7. Metromedia stated at the hearing that its programming would be completely local and would serve to fill in gaps of information relating to road conditions and traffic, available elsewhere.
8. Given the nature of the station's programming, Metromedia requested relief from section 15(4) of the *Radio Regulations, 1986* (the Regulations), which requires that 60% of basic Canadian content development (CCD) contributions be directed to FACTOR or MUSICACTION. Instead, the applicant proposed a condition of licence that would authorize it to direct 15% of its basic annual CCD contributions to the Community Radio Fund of Canada. The remaining 85% would be devoted to scholarships and paid internships for students in journalism attending schools and educational establishments accredited by the provincial authorities.
9. In regard to programming diversity, Metromedia explained that its proposed station would fulfill this criterion since 90% of the Anglophone respondents to the *Substance Strategies* survey expressed the view that Metromedia's proposed station would be different from what is currently available in the Montréal market. Additionally, Metromedia noted that most of the commercial radio stations in the greater Montréal area broadcast traffic information segments that are approximately 45 seconds in length, every 15 minutes. According to Metromedia, this means that listeners have to pay particular attention in order to recognize the segment presenting traffic information that might be of interest to them. Metromedia indicated that its station would broadcast traffic segments averaging four minutes in length. These much longer and more detailed segments would provide listeners with more options or alternatives. The applicant added that the station would be on air at all times, constantly updating the information broadcast, and could thus broadcast traffic information in real time. Also, according to Metromedia, although Cogeco enjoys a strong presence in Montréal's French-language radio market, it does not enjoy the same presence in the English-language market, where it operates only one station (CFQR-FM Montréal).

Dufferin

10. Dufferin proposed to operate a French-language commercial AM radio station and proposed the use of frequency 690 kHz (Class A) with a daytime and night-time transmitter power of 50,000 watts. The proposed station would be called Radio Fierté

¹ CINW has not been in operation since January 2010. Its broadcasting licence was revoked on 8 June 2010 in Broadcasting Decision 2010-354.

and its format would include spoken word and music programming that would be directed to Montréal's gay, lesbian, bisexual and transgendered community. The programming would reflect this community's interests, concerns and activities. Music programming would consist of a blend of selections from a variety of musical genres.

11. Dufferin indicated that it would comply with CCD regulatory requirements and committed to making an additional CCD contribution of \$175,000 over seven broadcast years.
12. At the hearing, Dufferin specified that the station's programming would be completely local and that it would accept a condition of licence to this effect. Dufferin explained that the programming would be equally divided between music and spoken word. The spoken word programming broadcast by Radio Fierté each broadcast week would be as follows: 7 hours and 52 minutes devoted to news, 1 hour and 27 minutes devoted to sports and 3 hours and 41 minutes devoted to traffic. The station would also provide open-line programs.
13. Radio Fierté's musical programming would be similar to that of a contemporary music station (content category 2 – Popular Music) for adults, but 10% of the programming broadcast each broadcast week would be devoted to Special Interest Music (content category 3). Dufferin also stated its intention to devote at least 15% of its category 2 musical programming to emerging artists.

Bell Media

14. Bell Media applied for an amendment to the broadcasting licence for its English-language commercial AM radio station CKGM Montréal, in order to change the frequency of the station's transmitter from 990 kHz (Class B) to 690 kHz (Class A).
15. Bell Media stated that the reception of station's night-time signal is poor in Montréal, especially in the west end, and that the use of 690 kHz, which would result in better night-time protection as well as fewer constraints for protecting third adjacent signals, would bring a significant improvement to CKGM's night-time coverage. As well, because 690 kHz has superior propagation qualities, the applicant indicated that the signal received in Montréal would be of better quality, daytime and night-time.
16. The applicant explained that improving the quality of the station's signal, particularly in regard to its night-time coverage of Montréal, would enable it to better serve its listeners, particularly in the western part of the island of Montréal, and to ensure financial viability.
17. Finally, Bell Media stated that it would continue to make its basic CCD contributions in accordance with the provisions set out in the Regulations.
18. At the hearing, Bell Media explained that CKGM's technical problems have had and continue to have a negative impact on the station's revenues. According to the applicant, the station incurred losses of \$4.9 million from 2007 to 2011.

19. Bell Media also indicated that the proposed amendment would allow it to enhance the consumer's experience, increase CKGM's advertising revenues - a necessary condition for the financial health of the station - and to invest further in the production of local programming, which is currently 100 hours per broadcast week.
20. According to Bell Media, the use of frequency 690 kHz would enable it to stabilize the station's operations, to make it profitable and to ensure its continued presence in the Montréal market.

7954689 Canada Inc.

21. 7954689 Canada Inc. (Tietolman) proposed to operate a French-language commercial AM radio station at 690 kHz (Class A) with a daytime and night-time transmitter power of 50,000 watts (application 2011-1236-7). The applicant proposed a spoken word format focused on news, information, public affairs and debates.
22. Tietolman also proposed to operate an English-language commercial AM radio station at 940 kHz (Class A) with a daytime and night-time transmitter power of 50,000 watts (application 2011-1237-5). The applicant proposed a spoken word format focused on news, information, public affairs and debates.
23. For each of the stations, Tietolman committed to making basic CCD contributions in accordance with the provisions of the Regulations.
24. Given that the proposed stations would also provide open-line programs, Tietolman agreed to submit guidelines for this type of programming.
25. At the hearing, Tietolman also explained that although the French-language and English-language stations would broadcast a similar style of programming, their content would be different. The applicant explained that each station would have distinct, original and creative programming.
26. In response to concerns raised over the diversity of programming between Tietolman's proposed English-language station and that of CJAD Montréal, a predominantly spoken word station owned by Astral Media Radio (Toronto) Inc. and 4382072 Canada Inc., partners in a general partnership carrying on business as Astral Media Radio G.P. (Astral), the applicant indicated that neither the number of hours of local programming provided by the stations, the content of their local programs, nor the programs' relevance to the target community would be the same. Tietolman specified that unlike CJAD, its station would broadcast live seven days a week. At the hearing, the applicant confirmed that it was prepared to accept a condition of licence to that effect.
27. Tietolman indicated that in the same way, its French-language AM station would differ from CHMP-FM Montréal, a specialty format (predominantly spoken word) station owned by Cogeco Inc. The applicant explained that although CHMP-FM refers to itself as a spoken word station, it has a fairly substantial music component, particularly on weekends when its spoken word programming is minimal.

28. Tietolman explained that the proposed stations would serve the needs and interests of their listeners, whatever the time of day or night. According to the applicant, its stations would be events-based, focusing on face-to-face interviews and programs rather than simply being open-line stations.
29. Tietolman also stated at the hearing that in view of the scope of anticipated synergies, the viability of its proposal would be compromised if only one of its applications were approved. It submitted that these synergies would allow the stations to stay within their proposed operating costs, and that the stations could even become profitable in their fourth year of operation.

Commission's analysis and decisions

30. The Commission received interventions in support of the applications as well as interventions in opposition. The public record for this proceeding is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
31. After reviewing the full record for this proceeding, the Commission considers that the issues it must address are the following:
- Can the Montréal radio market sustain one or more new commercial AM radio stations?
 - If so, which of the applications should be approved in light of the factors identified in Decision 99-480?

The Montréal radio market and its ability to sustain new commercial AM radio stations

32. The Montréal radio market is served by a total of 34 stations, 21 of which are commercial stations. Montréal's French-language radio market consists of 11 commercial stations, 8 of which operate on the FM band and 3 of which operate on the AM band. The English-language radio market has 5 commercial stations, 3 FM and 2 AM. Furthermore, there are currently 5 ethnic stations operating in the market.
33. In 2010, the Montréal radio market generated total revenues of approximately \$153 million, a 3.5% increase over 2009 revenues. The market also posted a healthy profit before interest and taxes (PBIT) margin of 22.5% in 2010, an increase from the 19.1% realized in 2009.
34. The Montréal radio market is largely dominated by the ownership groups Astral and Cogeco, each of which operates five stations in the market. Specifically, Astral operates two French-language and three English-language stations, whereas Cogeco operates four French-language stations and one English-language station. Together, these two licensees generate over 90% of the market's revenues, and most of the market's PBIT.
35. In light of the Montréal radio market's overall solid performance and the increase in revenues from retail and advertising sales, the Commission considers that the market

is able to sustain at least one new commercial AM radio station, despite the high level of competition.

36. Having determined that there is room in the Montréal radio market for one or more new commercial AM radio stations, the Commission examined the applications in light of the applicable legislation, regulations and policies, as well as the factors relevant to the evaluation of the applications outlined in the Call, which include the following factors set out in Decision 99-480:
- the diversity of voices;
 - the competitive state of the Montréal radio market and level of market impact; and
 - the quality of the applications.
37. Pursuant to the *Broadcasting Act* (the Act) and the *Official Languages Act*, the Commission must consider the applications received on the basis of their ability to serve the needs and interests of any official language minority community in a given market. At the same time, as set out in the [Report to the Governor in Council on English- and French-language broadcasting services in English and French linguistic minority communities in Canada](#) (the Report), published 30 March 2009, the factors related to official language minority communities should not be given preference over other factors that the Commission is required to consider, given that the Commission must ultimately reconcile all of the objectives of the Act. In this instance, the applications by Metromedia, Tietolman, and Bell Media were considered on the basis of their ability to serve the specific needs and interests of Montréal's English-language community.
38. The Commission therefore evaluated the needs of Montréal's English-language community by reviewing the services already available in the market, their target audiences and the information submitted by the applicants.

Proposed frequencies

39. As stated above, in the Call the Commission called for applications to serve the Montréal market on 690 kHz and 940 kHz, both of which are clear channels,² i.e., stations with a high degree of protection from interference from neighbouring AM radio stations, primarily during night-time skywave propagation. These two frequencies provide better daytime and night-time coverage than the other AM frequencies that could be used to serve the Montréal region.

² A clear channel is a class A station that broadcasts on the AM band in North America. Although clear channels have generally been referred to as Class A stations since 1982, their former classification (I-A, I-B or I-N) is sometimes used. The term "clear channel" is used most frequently in North America and in the Caribbean.

40. However, at the hearing, the Commission asked each applicant to consider the possibility of using frequencies other than those identified for the proposed services. The Commission noted the possibility of using 990 kHz, among others, which could become available with the approval of Bell Media's application to operate CKGM on a new frequency. The applicants were directed to file their comments on acceptable alternate frequencies by no later than 24 October 2011. The comments primarily addressed frequencies 690 kHz, 940 kHz and 990 kHz.
41. In response to the Commission's request, Metromedia indicated that only 940 kHz (that sought by Metromedia) and 690 kHz would be suitable for its proposed service, since these are the only frequencies that could cover the entire greater Montréal area and enable Metromedia to comply with the provisions of its agreement with the MTQ.
42. Dufferin confirmed that while 690 kHz was still its first choice, it is prepared to use 940 kHz, even though this would result in a reduction in the contours of its proposed station. Dufferin also considered the possibility of using frequency 990 kHz if it became available following Commission approval of Bell Media's application, also considered in this proceeding. However, the applicant noted that the considerable reduction in the station's contour resulting from the use of frequency 990 kHz would drive down its financial projections by approximately 10% to 15%. Dufferin added that if it were awarded 990 kHz for its proposed Radio Fierté, it would not be able to commit to making additional CCD contributions of \$175,000 over seven years. If this were the case, Dufferin would accept the frequency but would commit instead to making the basic CCD contributions required under section 15 of the Regulations.
43. Bell Media reaffirmed that 690 kHz was still the most suitable frequency for its proposed amendment, but specified that in regard to alternate frequencies, it would be prepared to use 940 kHz for CKGM. As for the possibility of other applicants using 990 kHz, Bell Media stated that it would make its transmission site available at a reasonable cost and in a timely manner. It added however that this would be possible only if it were awarded 690 kHz since 940 kHz and 990 kHz cannot share the same transmission site.
44. After being questioned by the Commission, Bell Media stated that it would accept a condition of licence requiring it to submit to the Commission's arbitration process³ in the most timely fashion to resolve any disputes so that an agreement regarding access to its transmission site permitting the use of 990 kHz may be reached, should the Commission authorize it to operate CKGM at 690 kHz.
45. For its part, Tietolman stated that 690 kHz would be the only suitable frequency for its French-language station. The applicant's argument in this regard was not based on the respective technical merits of 690 kHz and 940 kHz, but rather on the historical use of 690 kHz. In regard to its proposed English-language service, Tietolman

³ As set out in Broadcasting and Telecom Information Bulletins 2009-38 and 2009-38-1.

reiterated that its preferred frequency was still 940 kHz. It explained that it had explored the possibility of using alternate frequencies, including 850 kHz and 990 kHz, but concluded that they were not appropriate for its proposed stations. Consequently, should the Commission award 690 kHz for its French-language station, it would try to find another viable AM frequency for its English-language station.

46. The Commission recognizes that 690 kHz and 940 kHz offer different coverage possibilities, with 690 kHz being the most attractive. It considers however that these two frequencies are for all practical purposes interchangeable for serving the Montréal radio market and the surrounding areas, given that these are the two frequencies that can be used at 50,000 watts daytime and night-time, and given that they are both clear channel Class A AM frequencies. As for 990 kHz, the Commission notes that the directional coverage is reduced at night-time.
47. The Commission also recognizes that 690 kHz has historically been used by a French-language service. However, the Commission must, in the context of the present proceeding, decide on the optimal use of the proposed frequencies, basing its decision on the four evaluation criteria for competitive applications specified in the Call and set out in Decision 99-480.
48. The applications have therefore been examined in light of the aforementioned considerations.

Assessment of the applications

49. Having considered the applications in light of the criteria set out above, the Commission finds that the applications by Bell Media, by Tietolman for its French-language service and by Dufferin best meet the needs of the Montréal radio market.
50. Concerning Bell Media's application to amend CKGM's licence to change the frequency from 990 kHz to 690 kHz, the Commission notes that Bell Media showed at the hearing that the antenna pattern, which must be adjusted at night-time (i.e., at dusk) to prevent potential interference on neighbouring AM radio stations, significantly restricts the night-time contours of the station, particularly in the western part of the island of Montréal, which is where a large number of the English-language listeners targeted by CKGM's advertisers are found. According to Bell Media, its target audience (men between 25 and 34 years of age), decreases by 31% after 7:00 p.m., between October and April.
51. The Commission notes that Bell Media filed many examples of complaints that it had received from the public regarding the quality of CKGM's signal in the context of the current proceeding. The Commission also notes the large number of interventions in support of Bell Media's application.

52. The Commission considers that Bell Media's application has merit and that approval would only have a minor impact on the Montréal radio market, given that CKGM, as a predominantly spoken word station with a focus on sports, has been present in this market for over ten years.
53. Moreover, by opting for 690 kHz for Bell Media's application, it would become possible to consider the use of this applicant's current transmission site for the operation, by another applicant, of a station at 990 kHz. The Commission is of the view that this represents an important advantage for the broadcasting system in Montréal, since the initial costs of constructing a transmission site to operate at 990 kHz would be financially prohibitive. Furthermore, the operation of a station from Bell Media's site at 990 kHz would not be possible should 940 kHz be awarded to it, given the interference that each of these two frequencies would experience, which would prevent the operation of another station from this site.
54. The only means of offering Bell Media a better frequency for its service, while still reclaiming 990 kHz for use by another applicant, is to award Bell Media 690 kHz.
55. In light of all of the above, the Commission concludes that it is appropriate to permit Bell Media to use 690 kHz.
56. In regard to the applications by Tietolman, the Commission notes that the proposed stations would offer a predominantly spoken word format with a focus on news, information, public affairs and debates, and that all of the stations' programming would be local. These stations would broadcast traffic bulletins every ten minutes throughout the day. A three-hour period between 6:00 a.m. and midnight each weekend would be devoted to content produced, managed and broadcast by the students of colleges, cégeps and universities in the region. The Commission further notes that during the hearing, Tietolman confirmed that it was prepared to accept conditions of licence relating to local programming and to the three-hour period devoted to student-produced programs.
57. The Commission is satisfied that the AM stations proposed by Tietolman, one English-language and one French-language, would provide a new source of local news in Montréal and would increase the diversity of voices in its radio market.
58. However, the Commission notes that Tietolman proposed using 690 kHz for its French-language station and 940 kHz for the English-language station. As 690 kHz is no longer available, the Commission considers it appropriate to authorize Tietolman to use 940 kHz, the last clear channel in Montréal, for its French-language station, given that this station targets a large audience in the Montréal radio market and offers an alternative to Cogeco Inc.'s spoken word station, CHMP-FM. Moreover, the Commission has concerns regarding the technical difficulties related to the implementation of 690 kHz and considers that 940 kHz could be on the air more quickly on the transmission site chosen by Tietolman.

59. The Commission notes that the English-language station proposed by Tietolman also targets a sizeable audience in the Montréal radio market and could provide an alternative to Astral's spoken word station, CJAD. However, in its comments dated 24 October 2011, Tietolman submitted that 990 kHz, which will be freed up by Bell Media's station CKGM, would not be suitable for its proposed station and that it would prefer to find an alternative frequency if it becomes necessary to do so. Accordingly, the Commission finds itself obliged to deny Tietolman's application for a broadcasting licence to operate an English-language AM radio station. If Tietolman wishes to pursue its proposal by using an alternative frequency, it may submit a new application to the Commission, which will then examine the new application on its own merits.
60. The Commission notes that Radio Fierté, the station proposed by Dufferin, would provide spoken word and music programming directed to Montréal's gay, lesbian, bisexual and transgendered community and reflecting that community's interests, concerns and activities. Dufferin indicated its intention to broadcast open-line programs and submitted guidelines relating to the supervision of this type of program.
61. The Commission also notes that Dufferin currently operates an English-language commercial radio station, CIRR-FM Toronto (PROUD FM) that targets that market's gay, lesbian, bisexual and transgendered community. At the hearing, Dufferin explained that there would be very little synergy between the proposed Montréal station and CIRR-FM, given each station's language of broadcast. Rather, the applicant anticipates achieving synergies in terms of communicating information on events of importance to its target audience and offering promotions and contests on its stations.
62. The Commission considers that the French-language station proposed by Dufferin would significantly increase the diversity of voices in the Montréal radio market by adding a new source of news, and would offer a unique service to that market's gay, lesbian, bisexual and transgendered community. The Commission further considers that the business plan filed by Dufferin is realistic, that its proposed programming offering is not currently available in the Montréal market, and that the station would reflect the interests and activities of its target audience.
63. The Commission notes that during the hearing one of the interveners pointed out, among other things, that young members of the gay, lesbian, bisexual and transgendered community have a real need to be accepted and reassured in regard to their sexual orientation, in order to avoid them feeling alone and excluded from society. This intervener noted in particular that PROUD FM in Toronto aired reports on the subject of SOY (Supporting Our Youth) and that other associations were heavily involved with youth and in the prevention of suicide among youth. The Commission is concerned by this reality and expects Dufferin to sensitize the gay, lesbian, bisexual, transgendered and heterosexual community in order to promote, in particular among youth, a greater acceptance of their sexual orientation, as it currently does with its Toronto station.

64. However, in view of the Commission's decision to award 690 kHz and 940 kHz to Bell Media and Tietolman, respectively, if Dufferin intends to pursue its proposed station Radio Fierté, it would have to operate the station on another frequency. The Commission notes that 990 kHz will be available once CKGM commences broadcasting on 690 kHz. The Commission also notes that the business plan of Dufferin, an experienced broadcaster, would be achievable even if Radio Fierté were operated on 990 kHz, but that the revenues generated would be less than the revenues set out in the initial application. The Commission notes that Dufferin specified in its 24 October 2011 comments that it would be prepared to use this frequency to operate Radio Fierté if the costs of operating from the Bell Media transmission site are reasonable. Finally, given the impact on its business plan, Dufferin will only be required to make the basic CCD contributions in accordance with the provisions set out in the Regulations.
65. Consequently, if Dufferin wishes to obtain a broadcasting licence to operate Radio Fierté, it must confirm its intention in writing to the Commission within 10 days of the date of this decision, and it must submit to the Commission and the Department of Industry, within 60 days of the date of this decision, a complete technical brief on the use of 990 kHz in Montréal. If Dufferin fails to respect either of these conditions, it will render the present decision null and void and free up 990 kHz, which could then be used by another applicant. Additionally, the Commission notes Bell Media's commitment to make its transmission site available at reasonable cost.
66. The Commission notes that the English-language station proposed by Metromedia would offer local information programming relating to traffic and the obstacles caused by roadwork in the greater Montréal area.
67. The Commission also notes that the agreement with the MTQ expires in three years. Metromedia further indicated at the hearing that the agreement would probably be renewed, or that the station would continue operate, with the same type of programming once the agreement expires.
68. Having heard and considered all aspects of the application by Metromedia, the Commission is not satisfied that the proposed service would represent the best use of a high-power AM frequency in Montréal, given the applications that it received and the programming currently available from all broadcasters in the Montréal radio market.
69. Furthermore, the Commission notes that Metromedia indicated at the hearing that only 940 kHz and 690 kHz would be acceptable for operating its proposed stations, and that the applicant reiterated this position in its 24 October 2011 comments. Accordingly, in light of the Commission's decision to award 940 kHz and 690 kHz to other applicants, the Commission has no choice but to deny the application submitted by Metromedia. If Metromedia wishes to pursue its proposal to offer English-language programming devoted to the broadcast of traffic information, various options are available, including submitting a new application to the Commission, which will then examine the new application on its own merits.

Conclusion

70. Based on all of the foregoing, the Commission **approves** the following applications:

Dufferin Communications Inc.

French-language commercial AM radio programming undertaking in Montréal, Quebec at 990 kHz

Application 2011-1232-5, received 28 August 2011

7954689 Canada Inc.

French-language commercial AM radio programming undertaking in Montréal, Quebec at 940 kHz

Application 2011-1236-7, received 29 August 2011

The terms and **conditions of licence** for the new station to be operated by Dufferin are set out in Appendix 2 to this decision. The terms and **conditions of licence** for the new station to be operated by 7954689 Canada Inc. are set out in Appendix 3 to this decision.

71. The Commission notes the commitment from these applicants to offer programming that is completely (100%) local, as well as the fact that they agreed to accept a condition of licence to that effect. However, the Commission considers that highly local content is essential for ensuring that listeners in the Montréal radio market tune in to a station, and for ensuring the station's survival. Accordingly, the Commission does not consider it necessary to impose conditions of licence in this regard.

72. The Commission also **approves** the following application to amend the broadcasting licence for the French-language commercial AM radio programming undertaking CKGM Montréal in order to change its frequency from 990 kHz to 690 kHz:

Bell Media Inc. and 7550413 Canada Inc., partners in a general partnership carrying on business as Bell Media Canada Radio Partnership

Application 2011-1235-9, received 29 August 2011

73. Furthermore, the Commission imposes the following condition of licence on CKGM:

The licensee must submit to the Commission's arbitration process in the most timely manner to resolve any disputes so that an agreement regarding access to its transmission site permitting the use of 990 kHz may be reached.

74. The Commission **denies** the following applications:

Metromedia CMR Broadcasting Inc.

Application 2011-0801-9, received 6 May 2011, to operate a French-language commercial AM radio programming undertaking at 690 kHz

7954689 Canada Inc.

Application 2011-1237-5, received 29 August 2011, to operate an English-language commercial AM radio programming undertaking at 940 kHz

Secretary General

Related documents

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2011-571, 7 September 2011, as amended by Broadcasting Notices of Consultation CRTC 2011-571-1, 9 September 2011, and CRTC 2011-571-2, 12 October 2011
- *Call for applications for AM radio stations to serve Montréal using the frequencies 690 kHz and 940 kHz*, Broadcasting Notice of Consultation CRTC 2011-453, 29 July 2011, as amended by Broadcasting Notice of Consultation CRTC 2011-453-1, 26 August 2011
- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2011-336, 19 May 2011, as amended by Broadcasting Notices of Consultation CRTC 2011-336-1, 27 May 2011, and CRTC 2011-336-2, 8 July 2011
- *Revocation of licences*, Broadcasting Decision CRTC 2010-354, 8 June 2010
- Broadcasting and Telecom Information Bulletin CRTC 2009-38-1, 26 April 2010
- *Practices and procedures for staff-assisted mediation, final offer arbitration, and expedited hearings*, Broadcasting and Telecom Information Bulletin CRTC 2009-38, 29 January 2009
- *Introductory statement – Licensing new radio stations*, Decision CRTC 99-480, 28 October 1999

**This decision and the appropriate appendix are to be appended to each licence.*

Appendix 1 to Broadcasting Decision CRTC 2011-721

Details from the assessments of applications for broadcasting licences to operate commercial AM radio programming undertakings to serve Montréal, Quebec

Applicant	Details from the application
<p>Metromedia CMR Broadcasting Inc. Application 2011-0801-9</p>	<p>Type: English-language commercial AM radio programming undertaking Technical parameters: 940 kHz (Class A), transmitter power of 50,000 watts, daytime and night-time Format: Predominantly spoken word (traffic/road work) Target audience: Users of Montréal roadways Canadian content (music): N/A Local programming per broadcast week^{***}: 126 hours Spoken word programming per broadcast week^{***}: Almost all programs, in view of the station's format. Canadian content development contribution (over the basic annual contribution): \$500 in year 1 Emerging Canadian artists programming per broadcast week: N/A</p>
<p>Dufferin Communications Inc. Application 2011-1232-5</p>	<p>Type: French-language commercial AM radio programming undertaking Technical parameters: 690 kHz (Class A), transmitter power of 50,000 watts, daytime and night-time Format: Equal parts music and predominantly spoken word Target audience: Gay, lesbian, bisexual and transgendered community of Montréal Canadian content (music): 35% category 2*, 10% category 3** Local programming per broadcast week^{***}: 126 hours Spoken word programming per broadcast week^{***}: Close to 50% of programming Canadian content development contribution (over the basic annual contribution): None Emerging Canadian artists programming per broadcast week: 15%</p>
<p>Bell Media Inc. and 7550413 Canada Inc., partners in a general partnership carrying on business as Bell Media Canada Radio Partnership Application 2011-1235-9</p>	<p>Type: Amendment to the broadcasting licence for the English-language commercial AM radio programming undertaking CKGM Montréal Technical parameters: Change from frequency 990 kHz (Class B) to 690 kHz (Class A), transmitter power of 50,000 watts, daytime and night-time Format: Predominantly spoken word (sports) Target audience: Males aged 25 to 54 in Montréal Canadian content (music): N/A Local programming per broadcast week^{***}: 116 hours Spoken word programming per broadcast week^{***}: Almost all programs, in view of the station's format Canadian content development contribution (over the basic annual contribution): None Emerging Canadian artists programming per broadcast week: N/A</p>

<p>7954689 Canada Inc. Application 2011-1236-7</p>	<p>Type: French-language commercial AM radio programming undertaking Technical parameters: 690 kHz (Class A), transmitter power of 50,000 watts, daytime and night-time Format: Predominantly spoken word (news, public affairs, debates, etc.) Target audience: 35 years of age and older Canadian content (music): N/A Local programming per broadcast week***: 126 hours Spoken word programming per broadcast week***: Almost all programs, in view of the station's format Canadian content development contribution (over the basic annual contribution): None Emerging Canadian artists programming per broadcast week: N/A</p>
<p>7954689 Canada Inc. Application 2011-1237-5</p>	<p>Type: English-language commercial AM radio programming undertaking Technical parameters: 940 kHz (Class A), transmitter power of 50,000 watts, daytime and night-time Format: Predominantly spoken word (news, public affairs, debates, etc.) Target audience: 35 years of age and older Canadian content (music): N/A Local programming per broadcast week***: 126 hours Spoken word programming per broadcast week***: Almost all programs, in view of the station's format Canadian content development contribution (over the basic annual contribution): None Emerging Canadian artists programming per broadcast week: N/A</p>
<p>* Percentages shown for category 2 musical selections (Popular Music) are for both the broadcast week and the period from 6:00 a.m. to 6:00 p.m., Monday to Friday. The definition of "broadcast week" is the same as that set out in the <i>Radio Regulations, 1986</i>.</p> <p>** Percentages shown for category 3 musical selections (Special Interest Music) are for the broadcast week. The definition of "broadcast week" is the same as that set out in the <i>Radio Regulations, 1986</i>.</p> <p>*** The definition of "broadcast week" as it relates to local, spoken word and news programming is the same as that set out in the <i>Radio Regulations, 1986</i>.</p>	

Appendix 2 to Broadcasting Decision CRTC 2011-721

Dufferin Communications Inc.

Application 2011-1232-5, received 28 August 2011

Terms, conditions of licence and commitment

Terms

The licence will expire 31 August 2018.

The station will operate at 990 kHz with a transmitter power of 50,000 watts, daytime and night-time.

The Commission reminds the applicant that pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry 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 21 November 2013. In order to ensure that such a request is processed in a timely manner, it should be submitted in writing at least 60 days before this date.

Conditions of licence

1. The licence will be subject to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.

Commitment

The licensee commits to ensuring that all of its programming (100%) broadcast during each broadcast week is local programming.

Employment equity

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.

Appendix 3 to Broadcasting Decision CRTC 2011-721

7954689 Canada Inc.

Application 2011-1236-7, received 29 August 2011

Terms, conditions of licence, commitment, expectation and encouragement

Terms

The licence will expire 31 August 2018.

The station will operate at 940 kHz with a transmitter power of 50,000 watts, daytime and night-time.

The Commission reminds the applicant that pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry 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 21 November 2013. In order to ensure that such a request is processed in a timely manner, it should be submitted in writing at least 60 days before this date.

Conditions of licence

1. The licence will be subject to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.

Commitment

The licensee commits to ensuring that all of its programming (100%) broadcast during each broadcast week is local programming.

Expectation

The Commission expects the licensee to develop guidelines for open-line programs and file the guidelines with the Commission.

Encouragement

Employment equity

In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.