



Broadcasting Decision CRTC 2012-123

PDF version

Route reference: 2011-427

Additional references: 2011-427-1, 2011-427-2 and 2011-427-3

Ottawa, 29 February 2012

Various applicants

Shelburne and Collingwood, Ontario

*Public hearing in the National Capital Region and in Blue Mountains, Ontario
19 September and 21 November 2011*

Licensing of new radio stations to serve Shelburne and Collingwood, Ontario

*The Commission **approves** an application by Bayshore Broadcasting Corporation for a broadcasting licence to operate a new FM radio station to serve Shelburne.*

*The Commission **approves in part** an application by MZ Media Inc. (MZ Media) for a broadcasting licence to operate a new specialty FM radio station to serve Collingwood. Within 90 days of the date of this decision, the applicant must submit an amendment to the application proposing the use of an FM frequency other than 104.9 MHz (channel 285B) that is acceptable to both the Commission and the Department of Industry.*

*The Commission also **approves** a request by MZ Media to grant its new station an exception to the Commission's policy on local programming as it relates to soliciting or accepting local advertising.*

*The Commission **denies** the remaining applications for broadcasting licences for radio stations to serve Shelburne and Collingwood.*

Introduction

1. At a public hearing commencing 19 September 2011 in the National Capital Region, the Commission considered four applications for new radio programming undertakings to serve Shelburne and Collingwood, Ontario. The applicants were as follows:

Shelburne radio market

- Frank Torres, on behalf of a corporation to be incorporated (Torres)
- Bayshore Broadcasting Corporation (Bayshore)

Collingwood radio market

- Evanov Communications Inc. (Evanov)
 - MZ Media Inc. (MZ Media)
2. The Commission notes that Torres, Bayshore and MZ Media all proposed the use of the frequency 104.9 MHz (channel 285) for their proposed stations. Given the proximity of Shelburne to Collingwood, the Commission notes that their applications are mutually exclusive on a technical basis.
 3. As part of this process, the Commission received and considered interventions regarding each application. The public record for these applications is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
 4. After examining the above applications, the Commission determined that more information was needed in order to render a decision. Accordingly, in Broadcasting Notice of Consultation 2011-427-2, the Commission announced that it would hold, on 21 November 2011, an appearing phase to the 19 September 2011 public hearing in order to obtain from the applicants the additional information required to make its decision in regard to their applications. In Broadcasting Notice of Consultation 2011-427-3, the Commission announced that interveners who filed written interventions in relation to the above-noted applications would have an opportunity to file final written comments following the appearing phase of the hearing, and that the applicants would have an opportunity to file final replies.

Commission's analysis and decisions

5. After examining the public record for these applications in light of applicable regulations and policies, the Commission considers that the issues it must address are the following:
 - Can the Shelburne radio market sustain a radio service?
 - Can the Collingwood radio market sustain additional commercial radio services without an undue negative impact on existing stations?
 - If so, which of the applications should be approved, in light of the factors set out in Decision 99-480?

The ability of the Shelburne radio market to sustain a radio station

6. The Commission notes that the Shelburne radio market is not currently served by a local radio station, but does receive programming from various out-of-market stations.
7. According to Statistics Canada, the population of the town of Shelburne was 5,846 in 2011. The population increased by 13.5% from the 2006 Census. Although the size of this population may be considered small when compared to other radio markets, the Commission notes that Torres and Bayshore indicated in their applications that the

primary contours of their proposed stations for the Shelburne radio market would reach a population of approximately 15,000. In light of the above, it is the Commission's view that the overall population in and around Shelburne is sufficiently large to support the introduction of a local radio station.

The ability of the Collingwood radio market to sustain a new radio station

8. In Broadcasting Public Notice 2006-159, the Commission set out its general concern regarding the relatively lower profitability of radio markets with populations under 250,000, and signalled its intent to avoid over-licensing in such markets.
9. The Collingwood radio market is served by CKCB-FM Collingwood, which is owned by Corus Entertainment Inc. (Corus). The Commission notes that the nearby town of Wasaga Beach, which lies approximately 20 kilometres east of the town of Collingwood, is served by CHGB-FM Wasaga Beach, a radio station that is owned by Bayshore. Both of these stations operate under a classic adult contemporary musical format.
10. According to Statistics Canada, the population of the town of Collingwood was 19,241 in 2011, an increase of 11.3% from the 2006 Census, whereas the population of the town of Wasaga Beach was 17,537 in 2011, an increase of 16.7% from the 2006 Census.
11. The Commission notes that the incumbent radio stations in the Collingwood and Wasaga Beach radio markets are operated by experienced broadcasters (Corus and Bayshore); however, for the 2009-2010 broadcast year, these stations exhibited profitability well below the national average of 19.2%. Although there has been an increase in the population of the area since 2006, the Commission is concerned that the addition of a new commercial radio station to the Collingwood radio market could have a negative impact on the radio stations in the area. Nevertheless, the Commission considers that the potential impact on existing radio stations could be mitigated should any new station operate under a sufficiently niche specialty format.

Assessment of the applications

12. Having determined that the Shelburne radio market can sustain the introduction of a local service and that the Collingwood radio market can potentially support the entry of a new radio station operating under a niche format, the Commission has considered the applications to serve those radio markets in light of the following factors relevant to the evaluation of the applications, set out in Decision 99-480:
 - the quality of the application;
 - the diversity of news voices; and
 - the level of market impact and the competitive state of the radio market.
13. Details of the applications for the Shelburne radio market are set out in Appendix 1 to this decision, and for the Collingwood radio market, in Appendix 2.

Shelburne radio market

14. Having considered the applications by Bayshore and Torres in light of the criteria set out above, the Commission finds that the proposal by Bayshore better meets the needs of the Shelburne radio market.
15. Bayshore proposed to offer a Contemporary Country music format targeting listeners from 25 to 64 years of age. All of the station's programming would be local to the Shelburne community, and would be live-to-air between 6:00 a.m. and 6:00 p.m., Monday to Sunday. In each broadcast week, 18 hours would be devoted to spoken word programming, of which 8 hours and 20 minutes would be pure news and 2 hours and 12 minutes would be weather, traffic and sports surveillance. At least 75% of the station's news reports would be devoted to local news.
16. Bayshore therefore committed to offer more than twice the amount of pure news programming per broadcast week than did Torres. Furthermore, the Commission considers that the service proposed by Bayshore, with its higher level of local expression through local news programming and its greater emphasis on live-to-air programming, would have greater local relevance to the Shelburne radio market. In addition, Bayshore committed to devote, over and above the basic annual Canadian content development (CCD) contribution, an amount that is more than double that proposed by Torres.
17. In the Commission's view, Bayshore's experience as an established small-market operator in southwestern Ontario, where it owns CHGB-FM Wasaga Beach as well as CFOS, CKYC-FM and CIXK-FM Owen Sound, CFPS-FM Port Elgin, CHWC-FM Goderich and CISO-FM Orillia, would further enable it to introduce a valuable service to the Shelburne radio market.
18. In light of the above, the Commission considers that the service proposed by Bayshore, by introducing a local voice to the Shelburne radio market, by providing significant local reflection, and by adding programming diversity in terms of local news when compared to programming received from out-of-market stations, would ultimately provide that market with a more adequate local radio service.
19. The Commission notes that Bayshore committed to devote, by condition of licence, at least 40% of all content category 2 (Popular Music) selections aired during each broadcast week and between 6:00 a.m. and 6:00 p.m., Monday to Friday, to Canadian selections broadcast in their entirety. It further notes that these levels exceed the minimum regulatory requirement set out in the *Radio Regulations, 1986* (the Regulations), as amended from time to time, and would therefore provide enhanced exposure for Canadian popular music. A **condition of licence** requiring Bayshore to abide by the above commitment is set out in Appendix 3 to this decision.
20. All commercial radio licensees must adhere to the requirements relating to contributions to CCD set out in section 15 of the Regulations, as amended from time to time. The Commission notes that Bayshore made a commitment to exceed the minimum contribution to CCD. Specifically, it committed to devote, over and above the basic annual CCD contribution, a total of \$168,000 to CCD (\$24,000 per broadcast year) over

seven consecutive broadcast years upon commencement of operations. A **condition of licence** to that effect is also set out in Appendix 3 to this decision. Of this amount, at least 20% would be devoted to FACTOR. The remainder would be directed to the following eligible initiatives:

- Canadian Open Old Time Fiddle Championship
- Country Exposure Live
- Northern Bluegrass Committee

Collingwood radio market

21. The Commission notes that Evanov proposed to offer a New Easy Listening music format with a minimum of 30% content category 3 (Special Interest Music) music targeting listeners from 35 to 64 years of age. The music offering would focus on soft popular musical selections with a blend of folk, roots, blues and softer jazz music styles. Evanov committed to broadcast 126 hours of local programming per broadcast week, of which 11 hours and 50 minutes would be devoted to spoken word programming including 6 hours and 15 minutes of pure news.
22. In the Commission's view, Evanov's anticipated programming strategy along with the modest financial performance of the incumbent radio stations could result in the proposed station causing undue harm to those stations. Consequently, the Commission considers that approval of Evanov's application would have an undue negative impact on the incumbent stations in the Collingwood radio market.
23. In regard to MZ Media, the Commission has addressed the following:
 - programming aspects of the application;
 - the choice of frequency; and
 - a request for an exception to the Commission's local programming policy regarding advertising.

Programming aspects of the application

24. The Commission notes that the predominance of the proposed FM station's programming would originate with CFMZ-FM Toronto. Consequently, MZ Media's proposed English-language commercial specialty FM station would offer listeners in Collingwood the same Classical and Fine Arts music format as CFMZ-FM. The applicant stated that the proposed station would nevertheless provide, on average, a maximum of 24 hours per week of differentiated local programming content directed specifically to listeners in Collingwood and the surrounding area. According to MZ Media, differentiated local programming content consists of advertising and local spoken word material that would not be broadcast on CFMZ-FM during the same broadcast week.

25. More specifically, the applicant indicated that it would broadcast, on average, up to 18 hours and 54 minutes per broadcast week of differentiated advertising content, of which up to 12 hours and 36 minutes per broadcast week would be advertising specific to Collingwood and the surrounding area. MZ Media indicated that it would be prepared to accept a condition of licence limiting the amount of differentiated local spoken word content to a maximum of 4 hours and 12 minutes per broadcast week. This spoken word content would consist of station identifications, promotional announcements, and first appearance surveillance material such as arts billboards, community messages, public service announcements, and regional information.
26. MZ Media noted that although all programming would be produced in Toronto at its CFMZ-FM studio, its differentiated local programming content for Collingwood would be produced for exclusive broadcast on the proposed station.
27. The Commission notes that the proposed FM station would receive 100% of its music programming from CFMZ-FM. Consequently, the proposed FM station would be subject to CFMZ-FM's current incremental condition of licence pertaining to the minimum level of content category 3 (Special Interest Music) Canadian musical selections to be aired. Moreover, the level of content category 3 Canadian musical selections to be broadcast on the proposed station would reflect the level in force for CFMZ-FM as of the date of this decision (i.e., 18%). This percentage would increase by 1% per broadcast year until it reaches 20% by the beginning of the 2013-2014 broadcast year, and would remain at that level for the balance of the licence term. The Commission notes that MZ Media agreed to accept a condition of licence in regard to the above. This **condition of licence** is set out in Appendix 4 to this decision.
28. Furthermore, the proposed FM station would also be subject to CFMZ-FM's current condition of licence requiring that a minimum of 70% of all musical selections broadcast during each broadcast week be devoted to musical selections drawn from content subcategory 31 (Concert). A **condition of licence** to that effect is also set out in Appendix 4.
29. Given the highly specialized nature of the Classical music format proposed by MZ Media, and given that the station would operate with a modest amount of split-feed local programming and advertising, the Commission considers that the impact of the proposed station would be limited. As such, the Commission is of the view that approval of MZ Media's application would not have an undue negative impact on existing radio stations in the area.
30. The Commission considers that the programming proposed by MZ Media and the audience targeted by its proposed service would contribute to meeting the needs of an underserved demographic in the Collingwood radio market. The addition of this service would contribute to the musical diversity of that market, with a Classical and Fine Arts music format targeting adults 50 years of age and older. Furthermore, the proposal by MZ Media would contribute to diversity of ownership by introducing a new player in the local market. The Commission is also satisfied that the applicant is committed to its Classical music format and to maintaining the proposed station and format in the

Collingwood market over the long term.

Choice of frequency

31. As noted above, the application by MZ Media was technically mutually exclusive with the application by Bayshore given that both proposed the use of the frequency 104.9 MHz. The Commission considers that the service proposed by Bayshore would make better use of the frequency 104.9 MHz since it would introduce a significant amount of local programming to the community of Shelburne. In light of the comments received at the public hearing, the Commission notes that alternative frequencies have been identified as being capable of serving the Collingwood radio market. Accordingly, MZ Media will be required to use an alternative frequency to operate its proposed service.

Exception to the Commission's local programming policy regarding advertising

32. MZ Media requested that should the Commission approve the application, it also grant the applicant an exception to the Commission's local programming policy as it relates to soliciting or accepting local advertising. This policy, set out in Broadcasting Public Notice 2006-158, is as follows:

Under the local programming policy, licensees of commercial FM stations in markets served by more than one private commercial radio station are required to devote at least one-third of the broadcast week to local programming. Commercial FM licensees broadcasting less than one-third local programming must, by condition of licence, refrain from soliciting or accepting local advertising.

33. The Commission notes that approval of the proposed service would permit MZ Media to broadcast a limited amount of split-feed programming consisting of locally-oriented spoken word material and locally-oriented advertising. It further notes that since Collingwood is not a single-station market and since the proposed station would offer less than the required amount of local programming, an exception to the Commission's local programming policy as it relates to soliciting or accepting local advertising would be needed.
34. The Commission also notes that CFMZ-FM is the only English-language commercial radio station in Canada that operates in a Classical music format, and that it is mindful of the various challenges to be faced by a station operating in that format. Furthermore, it recognizes the diversity of format that the station will provide to the Collingwood community through its Specialty Classical and Fine Arts music format.
35. In light of the above, the Commission considers it appropriate, in this particular instance, to grant MZ Media an exception to its local programming policy as it relates to soliciting or accepting local advertising.

Conclusion

36. Based on all of the foregoing, the Commission **approves** the following application for a

broadcasting licence to operate an English-language commercial FM radio programming undertaking in Shelburne:

Bayshore Broadcasting Corporation

Application 2008-1426-1, received 23 October 2008

37. The terms and **conditions of licence** for this new service are set out in Appendix 3 to this decision. The implementation of the undertaking proposed by Bayshore is subject to notification by the Department of Industry (the Department) discussed in Appendix 3.
38. In addition, the Commission **approves in part** the following application for a broadcasting licence to operate an English-language commercial specialty FM radio programming undertaking in Collingwood:

MZ Media Inc.

Application 2009-0256-1, received 2 February 2009

39. The terms and **conditions of licence** for this new service are set out in Appendix 4 to this decision. Because the predominance of the new FM station's programming will originate with CFMZ-FM, the new licence to be issued will expire on 31 August 2015, as set out in Appendix 4. This will allow the new FM station's licence renewal to coincide with the renewal of the licence for CFMZ-FM.
40. As set out in Appendix 4, MZ Media must submit, within 90 days of the date of this decision, an amendment to the application proposing the use of an FM frequency other than 104.9 MHz (channel 285B) and related technical parameters that are acceptable to both the Commission and the Department.
41. In light of the above, the Commission **denies** the two remaining applications for broadcasting licences to operate radio programming undertakings in Shelburne and Collingwood, as set out below:

Frank Torres, on behalf of a corporation to be incorporated

Application 2009-0146-4, received 13 January 2009

Evanov Communications Inc.

Application 2009-0578-9, received 7 April 2009

Secretary General

Related documents

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2011-427, 15 July 2011, as amended by Broadcasting Notices of Consultation CRTC 2011-427-1, 6 September 2011, CRTC 2011-427-2, 31 October 2011, and CRTC 2011-427-3, 7 November 2011
- *Revised policy concerning the issuance of calls for radio applications and a new process for applications to serve small markets*, Broadcasting Public Notice CRTC 2006-159, 15 December 2006

- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Introductory statement – Licensing new radio stations*, Decision CRTC 99-480, 28 October 1999

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

Appendix 1 to Broadcasting Decision CRTC 2012-123

Details from the applications for new broadcasting licences for FM radio programming undertakings to serve Shelburne, Ontario

Applicant	Details from the application
<p>Bayshore Broadcasting Corporation Application 2008-1426-1</p>	<p>Type: English-language commercial FM radio programming undertaking Technical parameters: 104.9 MHz (channel 285B), average effective radiated power (ERP) of 12,500 watts (maximum ERP of 50,000 watts) Format: Contemporary Country Target audience: 25-64 years of age; core: women 35-54 years of age Canadian content (music): 40% category 2* over the broadcast week and between 6:00 a.m. and 6:00 p.m. Monday to Friday Local programming per broadcast week***: 126 hours Spoken word programming per broadcast week: 18 hours News programming per broadcast week****: 8 hours, 20 minutes (75% local, 15% regional) Live-to-air programming: 84 hours per broadcast week Canadian content development contribution (over the basic annual contribution): \$168,000 over seven consecutive broadcast years</p>
<p>Frank Torres, on behalf of a corporation to be incorporated Application 2009-0146-4</p>	<p>Type: English-language commercial FM radio programming undertaking Technical parameters: 104.9 MHz (channel 285B), average effective radiated power (ERP) of 15,600 watts (maximum ERP of 50,000 watts) Format: Adult Contemporary Target audience: 25-54 years of age men and women, core: women 35-54 years of age Canadian content (music): 40% category 2* over the broadcast week and between 6:00 a.m. and 6:00 p.m. Monday to Friday Local programming per broadcast week***: 120 hours Spoken word programming per broadcast week: 19 hours, 10 minutes News programming per broadcast week****: 4 hours, 22 minutes (60% local, 20% regional) Live-to-air programming: 42 to 70 hours per broadcast week Canadian content development contribution (over the basic annual contribution): \$65,000 over seven consecutive broadcast years</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> <p>**** As set out in <i>Revised content categories and subcategories for radio</i>, Public Notice CRTC 2000-14, 28 January 2000, "news" excludes related surveillance material, that is, weather, traffic, sports and entertainment reports.</p>	

Appendix 2 to Broadcasting Decision CRTC 2012-123

Details from the applications for new broadcasting licences for FM radio programming undertakings to serve Collingwood, Ontario

Applicant	Details from the application
<p>MZ Media Inc. Application 2009-0256-1</p>	<p>Type: English-language commercial specialty FM radio programming undertaking</p> <p>Technical parameters: 104.9 MHz (channel 285B), average effective radiated power (ERP) of 3,100 watts (maximum ERP of 6,500 watts)</p> <p>Format: Classical and Fine Arts with a minimum 70% from subcategory 31 music (Concert)</p> <p>Target audience: 50 years of age and over</p> <p>Canadian content (music): 35% category 2* over the broadcast week and between 6 a.m. and 6 p.m. Monday to Friday; 18% category 3** over the broadcast week (increasing to 20% by 2013-2014)</p> <p>Local programming per broadcast week***: Maximum of 24 hours of differentiated programming (up to 18 hours, 54 minutes differentiated advertising content of which 12 hours, 36 minutes would be specific to Collingwood and area)</p> <p>Spoken word programming per broadcast week: Maximum of 4 hours and 12 minutes differentiated local spoken word programming (arts billboards, community messages, public service announcements and regional information)</p> <p>News programming per broadcast week: None</p> <p>Live-to-air programming: None</p> <p>Canadian content development contribution (over the basic annual contribution): None</p>
<p>Evanov Communications Inc., on behalf of a corporation to be incorporated Application 2009-0578-9</p>	<p>Type: English-language commercial specialty FM radio programming undertaking</p> <p>Technical parameters: 102.9 MHz (channel 275B1), average effective radiated power (ERP) of 1,000 watts (maximum ERP of 2,000 watts)</p> <p>Format: New Easy Listening music with a minimum 30% category 3 music (Special Interest Music)</p> <p>Target audience: 35-64 years of age, skewed to women</p> <p>Canadian content (music): 35% category 2* over the broadcast week and between 6 a.m. and 6 p.m. Monday to Friday; 10% category 3** over the broadcast week</p> <p>Local programming per broadcast week***: 126 hours</p> <p>Spoken word programming per broadcast week: 11 hours, 50 minutes</p> <p>News programming per broadcast week****: 6 hours, 15 minutes</p> <p>Live-to-air programming: 15 hours per broadcast day</p> <p>Canadian content development contribution (over the basic annual contribution): \$691,774 over seven consecutive broadcast years</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 *Radio Regulations, 1986*.

** 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 *Radio Regulations, 1986*.

*** The definition of "broadcast week," as it relates to local, spoken word and news programming, is the same as that set out in the *Radio Regulations, 1986*.

**** As set out in *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000, "news" excludes related surveillance material, that is, weather, traffic, sports and entertainment reports.

Appendix 3 to Broadcasting Decision CRTC 2012-123

Bayshore Broadcasting Corporation

Application 2008-1426-1, received 23 October 2008

Terms, conditions of licence, expectation and encouragement

Issuance of the broadcasting licence to operate an English-language commercial FM radio programming undertaking in Shelburne, Ontario

Terms

The licence will expire 31 August 2018.

The station will operate on 104.9 MHz (channel 285B) with an average effective radiated power (ERP) of 12,500 watts (maximum ERP of 50,000 watts).

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 **29 February 2014**. 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 *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.
2. The licensee shall, as an exception to the percentage of Canadian musical selections set out in sections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations):
 - a) devote, in each broadcast week, a minimum of 40% of its musical selections from content category 2 (Popular Music) to Canadian selections broadcast in their entirety; and

- b) devote, between 6:00 a.m. and 6:00 p.m., in any period beginning on Monday of a week and ending on Friday of the same week, a minimum of 40% of its musical selections from content category 2 (Popular Music) to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meaning as that set out in the Regulations.

3. In addition to the required basic annual contribution to Canadian content development (CCD), set out in section 15 of the *Radio Regulations, 1986*, as amended from time to time, the licensee shall, upon commencement of operations, make an annual contribution of \$24,000 (\$168,000 over seven consecutive broadcast years) to the promotion and development of Canadian content.

Of this amount, the licensee shall allocate no less than 20% per broadcast year to FACTOR. The remaining amounts of this additional CCD contribution shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

Expectation

Cultural diversity

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

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.

Appendix 4 to Broadcasting Decision CRTC 2012-123

MZ Media Inc.

Application 2009-0256-1, received 2 February 2009

Terms, conditions of licence, expectation and encouragement

Issuance of the broadcasting licence to operate an English-language commercial specialty FM radio programming undertaking in Collingwood, Ontario

Terms

The licence will expire 31 August 2015.

The Commission will only issue the licence, and it will only be effective at such time as:

- the applicant submits, within 90 days of the date of this decision, an amendment to its application proposing the use of an FM frequency and technical parameters that are acceptable to both the Commission and the Department of Industry. This amended application will form part of a public process; and
- 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 **29 February 2014**. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that 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, with the exception of condition of licence 8.
2. The station shall be operated within the specialty format as defined in *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000 and *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, as amended from time to time.
3. In each broadcast week, the licensee shall devote a minimum of 70% of all musical selections broadcast to musical selections drawn from subcategory 31 (Concert).
4. As an exception to the percentage of Canadian musical selections set out in section 2.2(3) of the *Radio Regulations, 1986*, the licensee shall devote in each broadcast week at least 18% of all musical selections drawn from content category 3 (Special Interest Music) to Canadian selections broadcast in their

entirety and schedule those selections in a reasonable manner throughout each broadcast day. This percentage (18%) will increase by 1% each broadcast year so that the level of Canadian musical selections drawn from content category 3 reaches 20% by the beginning of the 2013-2014 broadcast year and remains as such for the balance of the licence term.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meaning as that set out in the Regulations.

5. In each broadcast week, the licensee shall limit the amount of differentiated spoken word content broadcast to a maximum of 4 hours and 12 minutes. For the purposes of this condition, differentiated spoken word content is defined as station identifications, promotional announcements and first appearance surveillance material, such as arts billboards, community messages, public service announcements and regional information, that are not broadcast on CFMZ-FM Toronto during the same broadcast week.

Expectation

Cultural diversity

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

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.