



Broadcasting Decision CRTC 2012-236

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Ottawa, 24 April 2012

Rawlco Radio Ltd., 587681 Saskatchewan Ltd. and 101155515 Saskatchewan Ltd., partners in a general partnership carrying on business as Northwestern Radio Partnership

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Rawlco Radio Ltd.

North Battleford and Meadow Lake, Saskatchewan

*Applications 2011-0320-0 and 2011-0324-1, received 8 February 2011, and 2011-1469-4, 2011-1490-0 and 2011-1492-5, received 4 November 2011
Public hearing in the National Capital Region
21 March 2012*

CJCQ-FM, CJHD-FM and CJNB North Battleford and CJNS-FM Meadow Lake – Acquisition of assets (corporate reorganization) and licence renewals

1. The Commission **approves** the applications by Rawlco Radio Ltd. (Rawlco) on behalf of itself and two of its partners in the Northwestern Radio Partnership, namely 587681 Saskatchewan Ltd. (587681 Saskatchewan) and 101155515 Saskatchewan Ltd. (101155515 Saskatchewan), for authority to effect a multi-step corporate reorganization involving the assets of the radio programming undertakings CJCQ-FM, CJHD-FM and CJNB North Battleford and CJNS-FM Meadow Lake. The Commission did not receive any interventions concerning these applications.
2. As part of the present applications, Rawlco also requested that the Commission renew the broadcasting licences for CJHD-FM and CJNS-FM, which were administratively renewed from 1 September 2011 to 31 August 2012,¹ under the terms and conditions set out in its renewal applications submitted prior to the original expiry date. Upon examination of the stations' performance during the current licence term, the Commission finds that CJHD-FM and CJNS-FM are in full compliance with the *Radio Regulations, 1986* and their conditions of licence. Accordingly, the

¹ The current licences for CJHD-FM and CJNS-FM were administratively renewed from 1 September 2011 to 31 March 2012 and from 1 April to 31 August 2012 in Broadcasting Decisions 2011-556 and 2012-164.

Commission **renews** the broadcasting licences for the English-language commercial radio programming undertakings CJHD-FM and CJNS-FM from 1 September 2012 to 31 August 2018. The licensee shall adhere to the **conditions of licence** set out in Broadcasting Regulatory Policy 2009-62, as amended from time to time, with the exception for CJNS-FM of condition 8 relating to the solicitation of local advertising.

3. The broadcasting undertakings are currently held by Rawlco, 587681 Saskatchewan, 101155515 Saskatchewan and 101155510 Saskatchewan Ltd. (101155510 Saskatchewan), partners in a general partnership carrying on business as Northwestern Radio Partnership (the Partnership).
4. The proposed corporate reorganization will be executed in three steps, each requiring the issuance of licences:
 - Step 1 (application 2011-1490-0)
 - Transfer of all equity units (non-voting) currently held by 101155515 Saskatchewan (40 units) and 101155510 Saskatchewan (10 units) in the Partnership to 587681 Saskatchewan. As a result, 101155510 Saskatchewan will no longer be a partner.
 - Step 2 (application 2011-1469-4)
 - Transfer of all voting units (31%) held by 101155515 Saskatchewan in the Partnership to Rawlco. As a result, 101155515 Saskatchewan will no longer be a partner.
 - Step 3 (application 2011-1492-5)
 - Transfer of all equity units and all voting units held by 587681 Saskatchewan in the Partnership to Rawlco. As a result, the Partnership will be dissolved and Rawlco will become the licensee of the broadcasting undertakings.
5. Subsequent to this multi-step corporate reorganization, the control of the broadcasting undertakings will continue to be exercised by Rawlco Inc.
6. Upon surrender of the broadcasting licences currently issued to Rawlco Radio Ltd., 587681 Saskatchewan Ltd., 101155515 Saskatchewan Ltd. and 101155510 Saskatchewan Ltd., partners in a general partnership carrying on business as Northwestern Radio Partnership, the Commission will issue new licences to Rawlco Radio Ltd., 587681 Saskatchewan Ltd. and 101155515 Saskatchewan Ltd., partners in a general partnership carrying on business as Northwestern Radio Partnership.
7. Upon surrender of the broadcasting licences issued as part of Step 1, the Commission will issue new licences to Rawlco Radio Ltd. and 587681 Saskatchewan Ltd., partners in a general partnership carrying on business as Northwestern Radio Partnership.
8. Upon surrender of the broadcasting licences issued as part of Step 2, the Commission will issue new licences to Rawlco Radio Ltd.

9. The new licences for CJCQ-FM and CJNB will expire on the same dates as the current licences (31 August 2012 and 31 August 2014) and will be subject to the same conditions as those set out in the current licences.
10. The applicants are required to inform the Commission following the completion of each step of the transaction.

Non-compliance with Canadian content development requirements

11. The Commission notes that the current licensee of CJNB may have failed to comply with its condition of licence relating to Canadian content development contributions for the 2007-2008 broadcast year. The Commission further notes that the licensee directed a payment in the amount of the shortfall (\$685) to FACTOR when advised about the missing amount. The Commission will examine CJNB's apparent non-compliance at its licence renewal.

Employment equity

12. In accordance with Public Notice 1992-59, 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.

Secretary General

Related documents

- *Administrative renewals*, Broadcasting Decision CRTC 2012-164, 20 March 2012
- *Administrative renewals*, Broadcasting Decision CRTC 2011-556, 31 August 2011
- *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009
- Implementation of an employment equity policy, Public Notice CRTC 1992-59, 1 September 1992

**This decision is to be appended to each licence.*