



Broadcasting Decision CRTC 2012-360

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Ottawa, 3 July 2012

9202-1617 Québec inc.
La Baie, Quebec

Application 2012-0093-0

CKGS-FM La Baie – Technical change

*The Commission **approves** the application by 9202-1617 Québec inc. to amend the broadcasting licence for the French-language commercial radio station CKGS-FM La Baie in order to modify the station's technical parameters by changing the antenna's transmission site, by changing the frequency from 105.5 MHz (channel 288A) to 105.7 MHz (channel 289A), by decreasing the average effective radiated power (ERP) from 6,000 to 2,930 watts (maximum ERP of 6,000 watts), by changing the antenna's radiation pattern from non-directional to directional and by increasing the effective height of antenna above average terrain from 18.3 to 32.87 metres.*

The application

1. The Commission received an application by 9202-1617 Québec inc. (9202-1617 Québec) to amend the broadcasting licence for the French-language commercial radio programming undertaking CKGS-FM La Baie by changing the station's technical parameters. Specifically, the applicant proposed to:
 - move the antenna's transmission site;
 - change the frequency from 105.5 MHz (channel 288A) to 105.7 MHz (channel 289A);
 - decrease the average effective radiated power (ERP) from 6,000 to 2,930 watts (maximum ERP of 6,000 watts);
 - change the antenna's radiation pattern from non-directional to directional; and
 - increase the effective height of antenna above average terrain from 18.3 to 32.87 metres.

The Commission received several interventions in support of this application.

2. 9202-1617 Québec stated that the station's significant financial losses are due to the station's technical problems. According to the applicant, approval of this application

would enable it to better serve listeners residing within the station's authorized contours.

Background

3. In March 2007, in Broadcasting Decision 2007-95, the Commission approved the application by Carl Gilbert, on behalf of a corporation to be incorporated (Carl Gilbert, OBCI), for authorization to operate a French-language commercial FM radio station in Saguenay (zone La Baie), but denied his request to use the frequency 99.9 MHz.
4. On 2 May 2008, in Broadcasting Decision 2008-96, the Commission denied an application by Carl Gilbert, OBCI, to operate the station approved in Broadcasting Decision 2007-95 at 105.5 MHz (channel 288B) with an average ERP of 30,600 watts. In that decision, the Commission noted that the technical parameters proposed in the application would create a scenario where the market proposed to be served by the station would include many localities already served by four commercial radio stations, namely CFIX-FM Saguenay and CJAB-FM Saguenay (Astral Media Radio Inc.), CKRS-FM Saguenay (591991 B.C. Ltd.) and CKYK-FM Alma (Groupe Antenne 6). The Commission was of the opinion that greater competition could destabilize the Saguenay radio market, which was not very dynamic at that time. The Commission therefore concluded that the addition of a new station in the Saguenay market could have a negative impact on radio listenership and the advertising revenues of the commercial stations serving all or part of the Saguenay market.
5. Subsequently, the applicant filed an application for the use of 105.5 MHz (channel 288A) with an ERP of 6,000 watts. The Commission approved this application in Broadcasting Decision 2008-205.
6. In May 2010, the applicant filed an application to amend CKGS-FM's broadcasting licence in order to add a transmitter at Mont Ste-Claire to rebroadcast the station's programming to the residents of Chicoutimi and Jonquière. The applicant stated the objective of this application was "to address a technical problem, which would permit it to adequately serve the population of Chicoutimi and Jonquière and to ensure better reception quality of CKGS-FM in these localities and their surroundings." The Commission denied this application in Broadcasting Decision 2010-933.

Commission's analysis and decision

7. After examining the public record regarding the application in light of the applicable policies and regulations, the Commission considers that the issues it must address are the following:
 - technical need;
 - economic need;

- the impact that approval of the application would have on the Saguenay stations; and
- the station's compliance with its regulatory obligations.

Technical need

8. To demonstrate its technical need, the applicant filed a report demonstrating the variability of signal strength in Chicoutimi according to measurements taken in the field, as well as a technical brief. According to the technical brief, use of 105.7 MHz (channel 289A) should considerably reduce the interference encountered by the station at 105.5 MHz (channel 288A). The applicant added that the proposed technical parameters would result in the 3 mV/m contour being nearly superimposed on the present contour.
9. The Commission notes that should the present application be approved, the population served within the 3 mV/m contour would be slightly smaller than that presently served, while the population served within the 0.5 mV/m contour would increase considerably. The Commission considers that the applicant has proposed a technical solution to the signal reception problems without changing the contour of the authorized main market.

Financial need

10. According to 9202-1617 Québec, approval of this application would enable it to ensure the station's survival by improving signal quality in its secondary market. The applicant stated that despite efforts to rationalize expenditures, it cannot keep reducing expenditures without considerably affecting the quality of the programming broadcast by the station.
11. The station's audience in the primary market and residing in the La Baie area regularly commutes approximately 13 kilometres to the Chicoutimi area. According to the applicant, listeners commuting by car do not receive a quality signal in a large part of the secondary contour. Furthermore, the applicant added that a number of merchants have cancelled their advertising campaigns, attributing this to poor signal reception in the secondary contour. The applicant is therefore forced to adjust its advertising prices.
12. In light of the above, the Commission considers that the applicant has demonstrated financial need.

The impact that approval of the application would have on the Saguenay stations

13. According to 9202-1617 Québec, approval of this application would not affect the existing FM stations since the technical amendment would not affect CKGS-FM's current 3 mV/m contour. The applicant stated that the objective of this application is not to increase the contour or the population residing within it, but to improve the signal within the currently authorized contour, which it considers deficient.

14. The Commission notes that the parameters proposed by the applicant do not modify the station's 3 mV/m contour. Accordingly, the Commission considers that approval of the present application would have little or no impact on the existing stations in the Saguenay market.

The station's compliance with its regulatory obligations

15. Analysis of the station's compliance demonstrated that during the current licence term, 9202-1617 Québec did not fulfill its regulatory obligations with regard to the filing of annual reports. Specifically, the annual reports for the 2009-2010 and 2010-2011 broadcast years were filed late (on 31 January 2011 and 6 February 2012, respectively), and the annual report for the 2009-2010 broadcast year was also filed incomplete.
16. The Commission notes that this is CKGS-FM's first instance of non-compliance. In line with its approach for dealing with instances of non-compliance by radio stations, the Commission examines an application according to its merits, taking into account the seriousness of the non-compliance. In this case, the Commission considers that the seriousness of the non-compliance is low. This licensee's non-compliance will therefore be examined at the time of the renewal of CKGS-FM's licence, which expires 31 August 2013. The Commission will examine at that time the circumstances that led to the non-compliance, as well as the licensee's arguments and the measures it has taken to rectify the situation.

Conclusion

17. The Commission considers that the applicant has demonstrated financial need in support of its application. Moreover, the Commission notes that the proposed contour would remain largely identical to that currently authorized. The Commission further notes that it has not received any interventions in opposition to this application.
18. In light of all of the above, the Commission **approves** the application by 9202-1617 Québec inc. to amend the broadcasting licence for the French-language commercial radio programming undertaking CKGS-FM La Baie in order to modify the station's technical parameters by changing the antenna's transmission site, by changing the frequency from 105.5 MHz (channel 288A) to 105.7 MHz (channel 289A), by decreasing the average ERP from 6,000 to 2,930 watts (maximum ERP of 6,000 watts), by changing the antenna's radiation pattern from non-directional to directional and by increasing the effective height of antenna above average terrain from 18.3 to 32.87 metres.

Secretary General

Related documents

- *CKGS-FM Saguenay - Licence amendment*, Broadcasting Decision CRTC 2010-933, 13 December 2010

- *Use of frequency 105.5 MHz by the new FM radio station in Saguenay (zone La Baie), Broadcasting Decision CRTC 2008-205, 22 August 2008*
- *Use of frequency 105.5 MHz by the new FM radio station in Saguenay (zone La Baie), Broadcasting Decision CRTC 2008-96, 2 May 2008*
- *French-language FM radio station in Saguenay (zone La Baie), Broadcasting Decision CRTC 2007-95, 21 March 2007*

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