



## Broadcasting Decision CRTC 2013-180

PDF version

Route reference: Part 1 application posted on 11 October 2012

Ottawa, 8 April 2013

### **Golden West Broadcasting Ltd.**

Winnipeg, Manitoba

*Application 2012-1238-1*

### **CFEQ-FM Winnipeg – Licence amendment**

*The Commission **approves** an application to change the format of the English-language specialty radio station CFEQ-FM Winnipeg from Christian to Classical music.*

#### **Introduction**

1. Golden West Broadcasting Ltd. (Golden West) filed an application to change the music format of the English-language specialty radio station CFEQ-FM Winnipeg from Christian to Classical music.
2. Golden West is currently subject to the following condition of licence set out in the appendix to CFEQ-FM's last renewal decision (Broadcasting Decision 2010-418):
  3. The licensee shall devote no less than 95% of all musical selections broadcast during each broadcast week to selections drawn from subcategory 35 (Non-classic religious).
3. The licensee proposed to replace condition of licence 3 with the following:
  3. The licensee shall devote no less than 70% of all musical selections broadcast each broadcast week to selections drawn from subcategory 31 (Concert). The licensee shall devote the remainder of its musical selections broadcast each broadcast week to selections drawn from subcategory 34 (Jazz and blues) as well as orchestrations of selections drawn from content category 2 (Popular music).
4. Golden West stated that CFEQ-FM's proposed music format would encompass traditional classical music, opera, operetta, choral, popular music theatre, classic Jazz and Pops, and would target adults 45 years and older. CFEQ-FM would devote a minimum of 53 hours to local live programming each broadcast week, which would include approximately 14.3 hours of spoken word programming and 2.33 hours of pure news.
5. In support of its application, Golden West submitted that, as a vibrant cultural centre, Winnipeg would welcome a classical music radio station. It also noted that classical

music is less available in Winnipeg since the CBC Radio Two network changed its programming.

6. Golden West submitted that although it has invested significant resources into the station since it acquired it in 2008,<sup>1</sup> it had yet to record any profits. Further, the licensee submitted that while the Commission approved its proposed technical changes in Broadcasting Decision 2011-644,<sup>2</sup> it had come to realize that the current format of CFEQ-FM was too narrowly focused for the station to become profitable.
7. The Commission received an intervention in support of this application, as well as one comment from several individuals, to which the applicant did not reply. The public record for this proceeding is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."

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

### **Undue negative impact on existing stations operating in the Winnipeg radio market**

8. Golden West submitted that approval of the application would lead to an increase in its revenues. According to its projections, the station would have a positive profit before interest and taxes in the first year, and its revenues would increase every year thereafter. Conversely, if the application were denied, Golden West submitted that the station would remain unprofitable. Based on the station's current financial situation and its financial projections, the Commission is of the view that the requested change in music format is necessary for the financial viability of CFEQ-FM.
9. No existing stations in the Winnipeg radio market currently operate in the proposed classical music format. As such, CFEQ-FM, in its new format, would be complementary to, not competitive with, existing stations in the Winnipeg radio market. Moreover, no opposing interventions were filed. In light of the above, the Commission is of the view that the Winnipeg radio market is healthy and that CFEQ-FM's format change would not have any undue negative impact on stations operating in the Winnipeg radio market.

### **Loss of a Christian station**

10. Although the Commission is concerned that approval of this application would result in the loss of a specialty Christian music service for the current audience of CFEQ-FM, it has taken into consideration that Golden West also operates the specialty (Christian music) FM radio station CHVN-FM Winnipeg. In this regard, while CHVN-FM provides a more mainstream Christian format and targets an older

---

<sup>1</sup> See Broadcasting Decision 2008-134.

<sup>2</sup> In that decision, Golden West justified the requested technical changes by stating that CFEQ-FM would be able to provide a reliable and consistent signal to existing listeners, repatriate listeners who may have abandoned CFEQ-FM in frustration due to the inconsistent reception and gain new listeners who may be on the fringe of the current unreliable signal.

demographic than CFEQ-FM, listeners of CFEQ-FM may choose to migrate to CHVN-FM, if the present application is approved.

11. The Commission considers that the proposed specialty Classical music format would meet the needs of listeners by filling the demand for an alternative local music choice while still offering local, relevant programming, as well as significant arts and cultural information. Given that the station would remain within a niche, specialty format, the Commission is of the view that approval of this application would add programming diversity to the Winnipeg radio market.

## **Conclusion**

12. In light of all of the above, the Commission **approves** the application by Golden West Broadcasting Ltd. to amend the broadcasting licence for the English-language specialty radio programming undertaking CFEQ-FM Winnipeg in order to change its specialty format from Christian to Classical music.
13. Accordingly, the Commission replaces the licensee's current condition of licence 3 with the following:

3. The licensee shall devote no less than 70% of all musical selections broadcast each broadcast week to selections drawn from subcategory 31 (Concert). The licensee shall devote the remainder of its musical selections broadcast each broadcast week to selections drawn from subcategory 34 (Jazz and blues) as well as orchestrations of selections drawn from content category 2 (Popular music).

## **Non-compliance**

14. The Commission notes that CFEQ-FM appears to be in non-compliance with section 15(2) of the *Radio Regulations, 1986* due to an apparent shortfall in its basic contribution to Canadian content development (CCD) for the 2010-2011 broadcast year.
15. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach for dealing with non-compliance by radio stations. In particular, when considering applications for licence amendments, the Commission will no longer automatically deny the amendment, but will take into consideration the quantity, recurrence and seriousness of the non-compliance, as well as the relationship between the application for an amendment and any instance of non-compliance.
16. Given that the non-compliance is not related to the requested amendment, the Commission advises the licensee that the non-compliance with its CCD requirements will be considered at the time of the renewal of its licence.

Secretary General

## Related documents

- *CFEQ-FM Winnipeg – Technical changes*, Broadcasting Decision CRTC 2011-644, 7 October 2011
- *Revised approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2011-347, 26 May 2011
- *CFEQ-FM Winnipeg – Licence renewal*, Broadcasting Decision CRTC 2010-418, 30 June 2010
- *CFEQ-FM Winnipeg – Acquisition of assets*, Broadcasting Decision CRTC 2008-134, 27 June 2008

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