



Broadcasting Decision CRTC 2014-396

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Route reference: 2014-189

Ottawa, 30 July 2014

8470286 Canada inc.

Joliette, Quebec

Application 2013-1209-0, received 29 August 2013

Public hearing in the National Capital Region

26 June 2014

CJLM-FM Joliette – Acquisition of assets

*The Commission **approves** the application by Attraction Radio inc., on behalf of 8470286 Canada inc., for authority to acquire from Coopérative de radiodiffusion MF 103.5 de Lanaudière the assets of the French-language commercial radio station CJLM-FM Joliette and for a broadcasting licence to continue the operation of the station.*

The consumers in Joliette will continue to have access to a local radio station.

The application

1. Attraction Radio inc. (Attraction Radio), on behalf of 8470286 Canada inc. (8470286 Canada), filed an application for authority to acquire from the Coopérative de radiodiffusion MF 103.5 de Lanaudière (the Coopérative) the assets of the French-language commercial radio station CJLM-FM Joliette and for a broadcasting licence to continue the operation of the station under the same terms and conditions as those in effect under the current licence. The Commission did not receive any intervention in connection with this application.
2. 8470286 Canada is a wholly owned subsidiary of Attraction Radio and is controlled by Richard Speer.
3. As a result of the transaction, 8470286 Canada would become the licensee of CJLM-FM.

Commission's analysis and decisions

4. After examining the public record for this application in light of applicable regulations and policies, the Commission considers that the issue it must address is the application of the tangible benefits policy.
5. In Broadcasting Public Notice 2006-158, the Commission set out its tangible benefits policy in regard to transactions involving radio stations. In that policy, the

Commission considered it appropriate to require a financial contribution of 6% of the value of the transaction to the development of Canadian content. However, the Commission does not generally require tangible benefits for commercial radio stations that are unprofitable. Radio stations are considered to be unprofitable if their profit before interest and tax (PBIT) averaged over the three years preceding the filing of the application for authority to acquire the station is negative.

6. 8470286 Canada requested to be exempted from the requirement to provide tangible benefits because CJLM-FM has been unprofitable for the last three years.
7. Given that CJLM-FM's PBIT averaged over the three years preceding the filing of the application has been negative, the Commission considers that the station meets the criterion set out in the tangible benefits policy and that tangible benefits are not necessary for this transaction.
8. In light of the above, the Commission **approves** the application by Attraction Radio inc., on behalf of 8470286 Canada inc., for authority to acquire from the Coopérative de radiodiffusion MF 103.5 de Lanaudière the assets of the French-language commercial radio programming undertaking CJLM-FM Joliette and for a broadcasting licence to continue the operation of the undertaking.
9. Upon surrender of the current licence issued to the Coopérative, the Commission will issue a new broadcasting licence to 8470286 Canada. The licence will expire 31 August 2020. The licensee must adhere to the **conditions of licence** set out in Broadcasting Regulatory Policy 2009-62, as amended from time to time.

Reminder

10. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licence will cease to have any force or effect if the broadcasting certificate issued by the Department of Industry lapses.

Employment equity

11. 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.

Secretary General

Related documents

- *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

- *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992

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