



Broadcasting Decision CRTC 2018-165

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Reference: 2018-16

Ottawa, 16 May 2018

Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership

Calgary, Alberta, and Winnipeg and Selkirk, Manitoba

Public record for this application: 2017-1002-0

Public hearing in the National Capital Region

27 March 2018

CKCE-FM Calgary, CHIQ-FM Winnipeg and CFQX-FM Selkirk – Corporate reorganization

1. The Commission **approves** the application by Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership, for authority to effect a multi-step corporate reorganization involving the assets of the English-language commercial FM radio programming undertakings CKCE-FM Calgary, Alberta, CHIQ-FM Winnipeg and CFQX-FM Selkirk, Manitoba, as well as for new broadcasting licences to continue the operation of the undertakings under the same terms and conditions as those in effect under the current licences. The Commission received interventions supporting the application.
2. The reorganization will be carried out through a series of transactions. First, 8384835 Canada Inc. (8384835 Canada), 8384843 Canada Inc. (8384843 Canada) and 8384894 Canada Inc. (8384894 Canada), the licensees of CKCE-FM, CHIQ-FM and CFQX-FM respectively, will merge with Jim Pattison Broadcast Group Ltd. Jim Pattison Broadcast Group Ltd. will then contribute the assets of CKCE-FM, CHIQ-FM and CFQX-FM to Jim Pattison Broadcast Group Limited Partnership in exchange for 13.99% of the units of Jim Pattison Broadcast Group Limited Partnership. Following the close of these transactions, Jim Pattison Broadcast Group Limited Partnership will become the licensee of the stations.
3. The multi-step corporate reorganization will not change the effective control of the undertakings as Jim Pattison Industries Ltd., Jim Pattison Broadcast Group Ltd., Jim Pattison Broadcast Group Limited Partnership, 8384835 Canada, 8384843 Canada and 8384894 Canada are all controlled by Mr. James A. Pattison.

4. Upon surrender of the current licences issued to 8384835 Canada, 8384843 Canada and 8384894 Canada, the Commission will issue new broadcasting licences to Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership. The licences will expire 31 August 2020, the expiry date for the current licences, and 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, as well as the **conditions** set out in the broadcasting licences for each undertaking.
5. The Commission **directs** the new licensee to file executed copies of all documents in support of this corporate reorganization by no later than **15 June 2018**.

Outstanding tangible benefits

6. In a decision letter dated 18 December 2013, the Commission approved an application for a change in effective control of 8384835 Canada, 8384843 Canada and 8384894 Canada. The Commission required the applicant to pay tangible benefits amounting to \$1,798,500, to be allocated as follows over a period of seven consecutive broadcast years:
 - 3% (\$899,250) to the Radio Starmaker Fund or Fonds Radiostar;
 - 1.5% (\$449,625) to FACTOR or MUSICACTION;
 - 1% (\$299,750) to any eligible Canadian content development initiative; and
 - 0.5% (\$149,875) to the Community Radio Fund of Canada.
7. The Commission notes that the applicant stated that a balance of \$770,784 remains to be paid, which it committed to pay by the end of the seven consecutive broadcast years as indicated in the above-noted decision letter.
8. The Commission **directs** the new licensee to fulfill all outstanding tangible benefits relating to the previous transaction.

Secretary General

This decision is to be appended to each licence.