



Broadcasting Decision CRTC 2018-64

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Reference: 2017-381

Ottawa, 15 February 2018

Golden West Broadcasting Ltd.

Grande Prairie, Alberta, and Fort St. John and Dawson Creek, British Columbia

Public record for application 2017-0802-5

Public hearing in the National Capital Region

11 January 2018

CJGY-FM Grande Prairie and its transmitters CJGY-FM-1 Fort St. John and CJGY-FM-2 Dawson Creek – Acquisition of assets (corporate reorganization)

1. The Commission **approves** the application by Golden West Broadcasting Ltd. (Golden West) for authority to acquire from Grande Prairie Radio Ltd. (Grande Prairie Radio), as part of a corporate reorganization, the assets of the English-language commercial specialty (Christian music) radio programming undertaking CJGY-FM Grande Prairie, Alberta, and its transmitters CJGY-FM-1 Fort St. John and CJGY-FM-2 Dawson Creek, British Columbia, and for a new broadcasting licence to continue the operation of the station. Upon surrender of the current licence issued to Grande Prairie Radio, the Commission will issue a new broadcasting licence to Golden West. The terms and **conditions of licence** are set out in the appendix to this decision. The Commission did not receive any interventions regarding this application.
2. Golden West is owned by Elmer Hildebrand Ltd. (53.98%) and Airwave Investments Ltd. (26.74%), both Canadian corporations, as well as by other Canadian shareholders (19.28%). Mr. Elmer Hildebrand, Chief Executive Officer of Golden West, and all of the members of Golden West's board of directors are Canadians residing in Canada.
3. Grande Prairie Radio is effectively controlled by Mr. Hildebrand. Following the close of the present transaction, Grande Prairie Radio will be dissolved.
4. Golden West submitted that winding up the assets and liabilities of Grande Prairie Radio will be advantageous for tax and corporate planning purposes. It added that the dissolution of Grande Prairie Radio will result in significant cost efficiencies.
5. Following completion of the transaction, Golden West will become the licensee of CJGY-FM and its transmitters. Given that the transaction will not affect the effective control of the station, which will continue to be exercised by Mr. Hildebrand, the payment of tangible benefits is not required.

6. The Commission **directs** Golden West to file executed copies of all documents supporting the present transaction by no later than **19 March 2018**.

Outstanding tangible benefits from a previous ownership transaction

7. The Commission **directs** Golden West to fulfill the outstanding tangible benefits stemming from the change in effective control of Grande Prairie Radio authorized by decision letter dated 28 April 2017 pursuant to section 11(4) of the *Radio Regulations, 1986*. As set out in that decision letter, based on the value of the transaction, a tangible benefits package of \$81,600 is to be allocated as follows, in payments spread out equally over seven consecutive broadcast years:
 - 3% (\$40,800) to Radio Starmaker Fund or Fonds Radiostar;
 - 1.5% (\$20,400) to FACTOR or MUSICACTION;
 - 1% (\$13,600) to any eligible Canadian content development initiative at the discretion of the purchaser; and
 - 0.5% (\$6,800) to the Community Radio Fund of Canada.
8. All discretionary amounts from those tangible benefits must be allocated to parties and initiatives fulfilling the definition of eligible initiative set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006. Further, the licensee must file by 30 November following the end of each broadcast year, in a form deemed acceptable by the Commission, proof of payment of the tangible benefits paid each broadcast year.

Employment equity

9. Because the licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development, its employment equity practices are not examined by the Commission.

Secretary General

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2018-64

Terms, conditions of licence and expectation for the English-language commercial specialty (Christian music) radio programming undertaking CJGY-FM Grande Prairie, Alberta, and its transmitters CJGY-FM-1 Fort St. John and CJGY-FM-2 Dawson Creek, British Columbia

Terms

The licence will expire 31 August 2024.

Conditions of licence

1. The licensee shall adhere 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, with the exception of condition of licence 7, as well as to the conditions set out in the broadcasting licence for the undertaking.
2. The station shall be operated within the Specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, and *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010.
3. The licensee shall devote at least 95% of all musical selections broadcast each broadcast week to selections from content subcategory 35 (Non-classic religious), as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010.
4. Where the licensee broadcasts religious programming as defined in *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993, the licensee shall adhere to the guidelines set out in sections III.B.2.a) and IV of that public notice with respect to the provision of balance and ethics in religious programming.

Expectation

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.