



## Broadcasting Decision CRTC 2024-330

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Reference: 2024-172

Ottawa, 12 Decembre 2024

**ZoomerMedia Limited**  
Owen Sound, Ontario

*Public record: 2024-0149-6*

*Public hearing in the National Capital Region  
8 October 2024*

### **CJOS-FM Owen Sound – Change in ownership and effective control**

#### **Summary**

The Commission approves an application by ZoomerMedia Limited (Zoomer) to change the ownership and control of the English-language commercial radio programming undertaking CJOS-FM Owen Sound, Ontario. Through this transaction, Zoomer will acquire from Bell Media Inc. the assets necessary to operate CJOS-FM.

The Commission finds that approving this transaction is in the public interest, as it will help ensure that the station continues to serve the community of Owen Sound. CJOS-FM will be operated by a new commercial licensee to the market who is committed to showcasing a diversity of voices and emerging Canadian musical artists, and providing local programming to the community.

The Commission also approves Zoomer's request for a new broadcasting licence to continue the operation of CJOS-FM.

#### **Application**

1. On 1 April 2024, the Commission received an application from ZoomerMedia Limited (Zoomer), on behalf of Bell Media Inc. (Bell Media), for authority to acquire from Bell Media the assets of the English-language commercial radio undertaking CJOS-FM Owen Sound. Zoomer also requested a new broadcasting licence to continue the operation of the station under the same terms and conditions as those currently in effect, but requested a seven-year licence term.
2. Zoomer is federally incorporated. Its CEO and board of directors are 100% Canadian. The majority of the voting interests of Zoomer is owned by Olympus Management Limited, a corporation wholly owned by Moses Znaimer, a Canadian, and several minority shareholders. Effective control of Zoomer is exercised by Moses Znaimer.

3. Bell Media is wholly owned by Bell Canada which is a subsidiary of the publicly traded corporation BCE Inc. The effective control of BCE Inc. is exercised by its board of directors.
4. The purchase price for the assets of the station is \$1,500,001. Zoomer proposed a value of the transaction of \$1,881,951, which includes the purchase price and the total value of leases payable over five years. There are no liabilities being assumed nor working capital transferred at closing. Zoomer also proposed a tangible benefits package of \$112,917, which represents the minimum of 6% of the proposed value of the transaction.
5. The Commission received an intervention commenting on the application from the Forum for Research and Policy in Communications (FRPC). This intervention is addressed below.

### **Legal framework**

6. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act*. Obtaining a licence to operate a broadcasting undertaking (in this case, a radio station) is a regulatory privilege granted by the Commission. A licensee does not have the authority to transfer a licence to a new operator as they see fit.
7. For this reason, licensees must obtain the Commission's approval before entering into any action, agreement, or transaction that changes, directly or indirectly, the effective control of the radio station. This requirement is set out in subsection 11(4) of the *Radio Regulations, 1986* (the Regulations).
8. When seeking the Commission's approval, the applicant must demonstrate that the benefits of the transaction are commensurate with the size and nature of the transaction and that the application represents the best possible proposal under the circumstances. The Commission will consider the application on its merits and will approve the transaction if the change in ownership and effective control is in the public interest. The public interest is reflected in the Canadian broadcasting and regulatory policy set out in subsections 3(1) and 5(2) of the *Broadcasting Act*.
9. Under subsection 18(1) of the *Broadcasting Act*, the Commission must conduct a public hearing for the issuance of a broadcasting licence. Broadcasting Information Bulletins 2011-222 and 2008-8-2 outlines that the Commission generally reviews applications for asset purchases through public hearings, either appearing or non-appearing. Applications are non-appearing where the Commission is satisfied that the applicant and interested parties had an opportunity to present their views and that the written record is sufficient and further discussion is not necessary.

## Issues

10. After examining the record for this application in light of applicable regulations and policies, the Commission addressed the following issues:

- whether the applicant's ownership structure satisfies the requirements of the *Direction to the CRTC (Ineligibility of Non-Canadians)*<sup>1</sup> (the Direction);
- whether the proposed transaction is in the public interest;
- the value of the transaction and tangible benefits; and
- whether the proposed transaction fulfills the regulatory requirements.

### Canadian ownership and control

11. Pursuant to paragraph 3(1)(a) of the *Broadcasting Act*, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. As required by the Direction, no broadcasting licence can be issued to a non-Canadian.

12. As Zoomer is effectively controlled by Moses Znaimer, a Canadian, and its CEO and board of directors are all Canadians, the proposed transaction satisfies the eligibility criteria set out in the Direction.

### Public interest of the proposed transaction

13. When the Commission evaluates whether a transaction is in the public interest, it examines the extent to which the transaction improves the Canadian broadcasting system and contributes to meeting the policy objectives of the *Broadcasting Act*. Section 3 of that Act describes a broadcasting system that contributes to the creation and presentation of Canadian programming, and through its programming reflects the multicultural and multiracial nature of Canadian society. Furthermore, the programming that the broadcasting system provides should be drawn from local and regional sources and should ensure that a diversity of news voices is offered to the public.

14. Zoomer noted that Bell Media has expressed its desire to no longer operate the station. The applicant suggested that acquiring the station would benefit all parties, including Canadian radio listeners. It would ensure that the station remains in operation and the community would continue to have access to a diversity of voices and local programming, including local news.

15. The applicant noted that this transaction does not adversely affect the markets' diversity or competitive environment. It stated that it has no existing radio stations in the market and that this transaction will bring an independent broadcaster into the

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<sup>1</sup> SOR/97-192, 8 April 1997

Owen Sound market. Additionally, the applicant's overall experience would contribute to ensuring the station's viability in a competitive market.

16. Zoomer also indicated that it plans to continue the operations of the station under the same conditions of service currently in place and would continue to highlight Canadian emerging artists and Indigenous artists.
17. In its intervention, the FRPC expressed concerns about the lack of detailed information, in both the applicant's application and the notice of consultation, specifically on employment, and reflection of the Indigenous and racialized members of the community it hopes to serve. Zoomer did not reply to this portion of the intervention.
18. Zoomer plans to strengthen its community presence through sponsorship and organization of local events across the region. Additionally, all employment obligations required to carry on the business and operations of the station will be transferred to, or otherwise assumed, by Zoomer.
19. The Commission notes the concerns of the FRPC related to employment, and the reflection of the Indigenous and racialized members of the community. The expectations and encouragements which are standard for commercial stations, and included in this decision, reiterate the Commission's position on each of these elements.
20. In light of the above, the Commission finds that approval of the transaction is in the public interest and will benefit Owen Sound listeners since the station will be operated by an independent licensee who is committed to showcasing emerging Canadian musical artists and providing local programming.

**Value of the transaction and tangible benefits**

21. The Commission ensures that the public interest is served by requiring that the purchasing company make financial contributions to Canadian content development (CCD) that are proportionate to the size and nature of the transaction. These contributions are known as "tangible benefits." Tangible benefits serve the public interest because they increase the quantity and quality of Canadian programming and support the creation, distribution and promotion of such programming.
22. The amount of tangible benefits payable depends on the value of the transaction. In the case of radio stations, tangible benefits represent at a minimum 6% of the value of the transaction. The Commission looks at the value of the transaction as a whole, including the value of gross debt, working capital to be transferred at the close of the transaction, ancillary agreements, and any leases assumed by the purchaser for real property (buildings, studios and offices) and transmission facilities. The value of leases is calculated over a period of five years. These elements, if applicable, are added to the purchase price.

23. Zoomer proposed a value of the transaction of \$1,881,951. This amount includes the purchase price (\$1,500,001), and the total value of the leases payable over five years (\$381,950). No debt or working capital will be assumed.
24. Zoomer indicated that the only liabilities that it would be assuming at closing will be the studio premises, tower site leases and the vehicle leases. The vehicle leases are not required to be included in the calculation of tangible benefits.
25. The Commission notes that the proposed value of the transaction by the applicant is consistent with the Commission's general approach. The Commission has calculated the value of the transaction and has determined that it is \$1,881,951. The calculation is itemized as follows:

Purchase Price	\$1,500,001
Debt	\$0
Assumed leases over five years	\$381,950
Working capital	\$0
<b>Value of the transaction</b>	<b>\$1,881,951</b>

**Allocation of tangible benefits**

26. Zoomer proposed a tangible benefits package of \$112,917, which represents the minimum 6% of the value of the transaction.
27. As per the Revised Commercial Radio Policy (Broadcasting Regulatory Policy 2022-332), tangible benefits must be paid over seven consecutive broadcasting years and be allocated as follows:
- 3% to Canadian Starmaker Fund and Fonds RadioStar;
    - 60% to Canadian Starmaker Fund and 40% to Fonds RadioStar
  - 1.5% to FACTOR and Musicaction;
    - 60% to FACTOR and 40% to Musicaction
  - 1% at the discretion of the purchaser, to any eligible CCD initiative; and
  - 0.5% to the Community Radio Fund of Canada (CRFC).
28. Zoomer proposed to allocate the funds as per the Tangible Benefits Policy (Broadcasting Regulatory Policy 2014-459), including the revised allocation in the Revised Commercial Radio Policy.

29. Zoomer also stated that it would direct the 1% that is to be allocated to discretionary initiatives for the support of local musical artists in the Southern Georgian Bay community.
30. In light of the above, the Commission finds that the proposed tangible benefits package, including the amount and allocation, is appropriate as it is consistent with Tangible Benefits Policy and Revised Commercial Radio Policy.
31. The amended *Broadcasting Act* now includes express provisions relating to the imposition of expenditure requirements. As a result, tangible benefits must be imposed by order made pursuant to subsection 11.1(2) of the *Broadcasting Act*. Accordingly, the Commission considers it appropriate to order Zoomer, by condition of service, to allocate \$112,917 in tangible benefits, to be paid in equal instalments over seven consecutive broadcast years, consistent with the Tangible Benefits Policy and Revised Commercial Radio Policy.

## **Regulatory requirements**

### **Programming**

32. Zoomer confirmed that it would continue operating the station under the Rock Music format. It also noted it intended to maintain the station's existing local programming and increase the local presence and coverage of the Owen Sound market, while ensuring alignment with community needs and interests. Zoomer committed to a minimum of 116 hours of local programming per broadcast week, which includes one hour of local newscast and five minutes each of national and international news per broadcast week. Additionally, Zoomer stated that 10 hours per broadcast week would be devoted to non-local programming.
33. In its intervention, FRPC mentioned that "...Broadcasting Notice of Consultation 2024-172 ...did not set out information about local programming, local program production, local news gathering and local news that make up local broadcast service".
34. In its response to FRPC, Zoomer confirmed that it had provided information on local programming as part of its application package.
35. Local programming is important to the broadcasting system, and the Commission expects radio stations to reflect the communities they serve through the programming they broadcast. As an incentive to broadcast local programming, commercial FM radio stations that do not serve a single-station market can only solicit or accept local advertising if they devote at least one-third of their programming (equivalent to 42 hours) to local programming, which can include both spoken word and musical content. A standard condition of service to that effect is set out in the appendix to Broadcasting Regulatory Policy 2022-334.
36. Given that Zoomer has confirmed its intention to continue operating the station under the same format, maintain the existing local programming, increase the local presence

in the Owen Sound market and commit to 116 hours of local programming, the Commission finds that the licensee's proposal meets the local programming and news requirements.

#### **Licence term**

37. The current licence term for CJOS-FM will expire 31 August 2026. The applicant requested a new broadcasting licence under the same terms and conditions as those currently in effect for a 7-year licence term.
38. In its intervention FRPC argued that giving a 7-year licence term is premature as residents of Owen Sound may not have a chance to provide feedback on the station's performance until the renewal process.
39. In its reply Zoomer indicated that, given that the licence is set to expire in August 2026, they would have to file a renewal application several months after they begin operating the station, which is not ideal. It also noted that no residents of Owen Sound commented on the proceeding.
40. The Commission notes that, in these circumstances, issuing a licence term to the end of the current term is consistent with the Commission's current practice. Further, this still allows the licensee to operate the station for more than a year before being renewed and would give potential interveners the opportunity to comment on the operation of the station during the renewal process.
41. In light of the above, the Commission concludes that the new licence term for CJOS-FM should expire on 31 August 2026.

#### **Conclusion**

42. In light of all of the above, the Commission approves the application by ZoomerMedia Limited, on behalf of Bell Media Inc. (Bell Media), for authority to acquire from Bell Media, by way of assets, the English-language commercial radio programming undertaking CJOS-FM Owen Sound. The Commission will issue a new broadcasting licence to Zoomer to continue the operation of CJOS-FM under the same terms and conditions as those currently in effect.
43. Zoomer shall notify the Commission of the close of the transaction, and file the final agreement(s) related to the transaction with the Commission within 30 days of the close of the transaction. Upon surrender of the licence currently held by Bell Media, the Commission will issue a new broadcasting licence to Zoomer, which will expire on 31 August 2026.

#### **Conditions of service**

44. Given that the applicant proposed to operate CJOS-FM under the same terms and conditions as those in effect under the current licence, the Commission also makes the following orders consistent with the existing conditions of service.

45. The Commission notes that it updated the standard conditions of service for commercial FM radio stations in Broadcasting Regulatory Policy 2022-334. As a result, the Commission considers it appropriate to require Zoomer to adhere to these updated standard conditions so that CJOS-FM's conditions are consistent with those of other FM stations.
46. Further, pursuant to subsection 49(2) of the *Online Streaming Act*, any regulation made under paragraphs 10(1)(a) or 10(1)(i) of the old *Broadcasting Act* is deemed to be an order made under section 9.1 of the new *Broadcasting Act*. As a result, the Commission considers it appropriate to require that the licensee adhere to these requirements as conditions of service.
47. Accordingly, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **orders** ZoomerMedia Limited, by **conditions of service**, to adhere to the standard conditions of service for commercial FM radio stations set out in the appendix to Broadcasting Regulatory Policy 2022-334, as well as to all applicable requirements set out in the Regulations, that were made under paragraphs 10(1)(a) or 10(1)(i) of the old *Broadcasting Act*.
48. Further, pursuant to subsection 11.1(2) of the *Broadcasting Act*, the Commission also **orders** ZoomerMedia Limited, by **condition of service**, to pay tangible benefits in the amount of \$112,917, to be paid in equal instalments over seven consecutive broadcast years. In addition, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **orders** ZoomerMedia Limited, by **condition of service**, to file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission, consistent with subsection 9(2) of the Regulations.
49. The Commission notes that the formal broadcasting licence document issued to a licensee may set out additional requirements for the undertaking, relating to, for example, technical parameters or prohibition on transfer. The licensee shall, therefore, also adhere to any such requirements set out in the broadcasting licence for the undertaking.
50. The terms as well as the specifics of these conditions of service are set out in the appendix to this decision.
51. Finally, the Commission notes that this application, including the matters set out in the above orders, were subject to a public proceeding that provided both the applicant and other interested parties notice of and an opportunity to make representations with respect to the proposed orders. The Commission is satisfied that, in this case, the public proceeding was sufficient to achieve the purposes of the publication and consultation requirement set out in subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*.



## Reminders

### Force and effect of broadcasting licences

52. 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 (also known as Innovation, Science and Economic Development Canada) lapses.

### Local News

53. Radio stations are an important daily source of local news and information for communities. Carrying on a broadcasting undertaking comes with conditions, regulatory obligations and responsibilities, which include contributing to the Canadian broadcasting system by ensuring that Canadians have access to local programming that reflects their needs and interests and informs them of important current issues.

54. Although Broadcasting Regulatory Policy 2022-332 does not specify a minimum level of weekly news to be broadcast, it does specify the type of spoken word material that must be included as part of a station's local programming. In accordance with that regulatory policy, the Commission reminds the licensee that its station, in its local programming, must incorporate spoken word material of direct and particular relevance to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. In addition, the Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

### National Public Alerting System

55. The Commission has implemented obligations with respect to the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444. The licensee must implement the public alerting system for each of its transmitters, and ensure that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages are installed and programmed to properly account for the applicable contour (as set out in paragraph 16(2)(b) of the Regulations) of the station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.

Secretary General

### Related documents

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2024-172, 30 July 2024
- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022

- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022
- *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- *Amendments to various regulations, the standard conditions of licence for video-on-demand undertakings and certain exemption orders – Provisions requiring the mandatory distribution of emergency alert messages*, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014
- *New service objectives for the processing of broadcasting and telecommunications applications as of 1 April 2011*, Broadcasting and Telecom Information Bulletin CRTC 2011-222, 1 April 2011
- *A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings – Change in the manner of issuing related information bulletins*, Broadcasting Information Bulletin CRTC 2008-8-2, 6 December 2013

*This decision is to be appended to the licence*

## Appendix to Broadcasting Decision CRTC 2024-330

### Terms, conditions of service, expectations and encouragement for the English-language commercial radio programming undertaking CJOS-FM Owen Sound, Ontario

#### Terms

The licence will expire 31 August 2026.

#### Conditions of service

1. The licensee shall adhere to the conditions of service set out in *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022, as well as to the requirements set out in the broadcasting licence for the undertaking.
2. The licensee shall adhere to all applicable requirements set out in the *Radio Regulations, 1986*, that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.
3. In order to fulfill its commitment relating to tangible benefits, the licensee shall expend, in equal payments over seven consecutive broadcast years and by no later than **31 August** of each year, a total amount of \$112,917 allocated as set out in paragraphs 4 and 48 of *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014, and at paragraph 160 of *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.

The licensee shall file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the *Radio Regulations 1986*.

#### Expectations

##### Cultural diversity

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

##### Canadian emerging artists

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to devote, in each broadcast week, at least 5% of the station's musical selections to selections from Canadian emerging artists broadcast in their entirety. The licensee should report annually on how it has met this expectation, including the percentage of selections from Canadian emerging artists out of the total number of musical selections that were

aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the definition of “Canadian emerging artist” is the same as that set out in paragraph 346 of Broadcasting Regulatory Policy 2022-332.

### **Indigenous musical selections**

Consistent with the Commission’s determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to include Indigenous musical selections on the station’s playlist. The licensee should report annually on the amount of Indigenous content aired on the station throughout the broadcast year (i.e., from 1 September to 31 August), including the percentage of Indigenous musical selections out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the licensee may use the provisional definition of “Indigenous-Canadian musical selection” set out in paragraph 441 of Broadcasting Regulatory Policy 2022-332 to determine whether a musical selection can be considered an Indigenous musical selection.

### **Encouragement**

#### **Employment equity**

Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development (also known as Employment and Social Development Canada), its employment equity practices are not examined by the Commission.

The Commission notes that amendments to the *Broadcasting Act* resulting from the *Online Streaming Act* place greater emphasis on the inclusion of equity-deserving communities and individuals in the broadcasting system. As a result, the Commission may examine its diversity-related policies in the context of the consultations on inclusion and diversity announced in its [Regulatory plan to modernize Canada’s broadcasting framework](#). In the meantime, although the licensee is subject to the *Employment Equity Act*, the Commission encourages the licensee to consider the amendments to the *Broadcasting Act* when making operational decisions.