



Broadcasting Decision CRTC 2025-31

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Reference: 2024-172

Ottawa–Gatineau, 30 January 2025

Pattison Media Ltd.
Kelowna, British Columbia

Public record: 2024-0321-0
Public hearing in the National Capital Region
8 October 2024

CKOV-FM Kelowna – Acquisition of assets (corporate reorganization)

Summary

The Commission approves an application by Pattison Media Ltd. (Pattison) for authority to acquire, from Radius Holdings Inc., as part of a corporate reorganization, the assets of the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia.

The Commission also approves the Pattison’s request for a new broadcasting licence to continue the operation of the station.

The Commission proposes to make the orders set out in Appendix 2 to this decision imposing various conditions of service, including expenditure requirements, on the licensee. Consistent with subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*, interested persons may make representations only on the proposed orders by no later than **10 February 2025**. The licensee may submit a reply to any representations received by no later than **17 February 2025**.

Application

1. On 11 June 2024, the Commission received an application from Pattison Media Ltd. (Pattison) for authority to acquire from Radius Holdings Inc. (Radius),¹ as part of a corporate reorganization, the assets of the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia.² Pattison also requested a new broadcasting licence to continue the operation of the station under the same terms and conditions as those currently in effect.

¹ In a letter decision dated 26 January 2024, the Commission approved an application by Pattison to acquire the shares and change the effective control of Radius.

² This station formerly operated under the call signs CKOO-FM Kelowna (from 2018 to 2020) and CJUI-FM Kelowna (from the station’s launch in 2008 to 2018).

2. Radius is a wholly owned subsidiary of Pattison, which is ultimately wholly owned and controlled by James A. Pattison through various holding corporations.
3. The steps of the proposed corporate reorganization would be as follows, with only the first step requiring the regulatory review by the Commission:
 - 1) All of Radius's property and assets, including but not limited to CKOV-FM, would be transferred to Pattison.
 - 2) Radius would be dissolved under Section 316 of the *British Columbia Business Corporations Act*.
4. As a result of the corporate reorganization, Radius would cease to exist as a corporation and its assets would be acquired by Pattison. James A. Pattison would continue to exercise effective control of the undertaking.
5. Following the close of the transaction and the issuance of a new broadcasting licence, Pattison would become the licensee of CKOV-FM and Radius would be dissolved.
6. Pattison stated that the purpose of the proposed transaction is to create administrative efficiency through the elimination of an unnecessary corporate entity.
7. The Commission did not receive any interventions in regard to this application.

Legal framework

8. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act* (the 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. 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).

Canadian ownership and control

9. Pursuant to paragraph 3(1)(a) of the Act, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. The Commission notes that Pattison is a Canadian licensee. Further, the Chief Executive Officer (CEO) and board of directors of Pattison are Canadian, and the effective control of Pattison is ultimately exercised by James A. Pattison, a Canadian residing in Canada. The proposed transaction therefore satisfies the eligibility criteria set out in *Direction to the CRTC (Ineligibility of Non-Canadians)*.³

³ SOR/97-192, 8 April 1997.

Tangible benefits

10. Under the Commission's Tangible Benefits Policy,⁴ as amended by the Revised Commercial Radio Policy,⁵ the Commission requires applicants to provide tangible benefits when filing an application for changes in ownership or effective control of a broadcasting undertaking. Given that approval of this corporate reorganization would not result in a change of effective control of CKOV-FM, the Commission finds that no new tangible benefits are required.
11. There are, however, several outstanding tangible benefits commitments stemming from previous ownership transactions involving CKOV-FM.

Transaction	Total outstanding tangible benefits	Deadline for payment of tangible benefits
Acquisition of the assets of CKOO-FM Kelowna by Radius, from Avenue Radio Ltd. (Broadcasting Decision 2020-383)	\$12,855	31 August 2027
Acquisition of the shares of Radius by Pattison, and the change in the effective control of Radius (administratively approved by the Commission in a letter decision issued 26 January 2024)	\$52,435	31 August 2030

12. Pattison committed to assume any outstanding tangible benefits resulting from those previous transactions.
13. Accordingly, the Commission requires Pattison to pay the above-noted tangible benefits amounts by the current deadlines.

Conclusion

14. In light of the above, the Commission approves the application by Pattison Media Ltd. for authority to acquire from Radius Holdings Inc., as part of a corporate reorganization, the assets of the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia.
15. Pattison must notify the Commission of the close of the transaction. Upon surrender of the current licence held by Radius for CKOV-FM, the Commission will issue a new broadcasting licence to Pattison, which will expire 31 August 2026, the same expiry date as for the current licence.
16. Further, the Commission **directs** Pattison to file with the Commission the final agreement(s) for the transaction within 30 days of its completion.

⁴ See Broadcasting Regulatory Policy 2014-459.

⁵ See Broadcasting Regulatory Policy 2022-332.

17. The terms of licence, expectations and encouragements applicable to this licensee are set out in Appendix 1 to this decision.
18. 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 prohibitions on transfer. The licensee shall also adhere to any such requirements set out in the broadcasting licence for the undertaking.
19. The Commission also proposes to make certain orders pursuant to subsections 9.1(1) and 11.1(2) of the Act. The specifics of the conditions of service,⁶ including expenditure requirements, contained in these orders are described below and set out in Appendix 2 to this decision. Consistent with subsections 9.1(4) and 11.1(7), interested persons may make representations only on the proposed orders by no later than **10 February 2025**, and the licensee may submit a reply to any representation received until **17 February 2025**. The Commission will issue final orders following the close of the comment period and its review of the submissions of the parties, if any.
20. Interested persons who wish to make representations on the proposed orders may do so on the Commission's [public proceedings webpage](#).

The proposed orders

Standard conditions of service

21. There are standard conditions of service that apply to all undertakings of a particular class. In this case, the Commission considers it appropriate that the licensee should adhere to the standard conditions of service for commercial radio stations. These standard conditions of service are set out in the appendix to Broadcasting Regulatory Policy 2022-334.⁷
22. Further, pursuant to subsection 49(2) of the *Online Streaming Act*, which made a certain number of amendments to the *Broadcasting Act* when it came into force on 27 April 2023, 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*. The Commission considers it appropriate to require the licensee to adhere to these requirements as conditions of service.
23. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **proposes to order** Pattison Media Ltd., by **condition of service**, to adhere to the standard conditions

⁶ Formerly known as “conditions of licence”. Under subsections 49(1) and 50(2) of the *Online Streaming Act*, the conditions of licence that existed prior to the date of royal assent of that Act are deemed to be conditions imposed under an order made pursuant to subsection 9.1(1) of the new *Broadcasting Act*, or subsection 11.1(2) in the case of expenditures. As such, conditions of licence became conditions of service and continue to apply to licensees of broadcasting services, except to the extent that they have been modified by a Commission decision.

⁷ CKOV-FM is currently subject to the standard conditions of service for radio stations set out in Broadcasting Regulatory Policy 2009-62. As stated in Broadcasting Regulatory Policy 2022-332, the Commission replaced those standard conditions of service with those set out in Broadcasting Regulatory Policy 2022-334.

of service 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 paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.

Broadcast of Canadian musical selections

24. Prior to the present ownership transaction, CKOV-FM was subject to a condition of service relating to the broadcast of Canadian musical selections, set out in the appendix to Broadcasting Decision 2020-383. The Commission considers it appropriate that Pattison should continue to adhere to the requirement set out in that condition of service.
25. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **proposes to order** Pattison Media Ltd., by **condition of service**, as an exception to the percentage of Canadian musical selections set out in subsections 2.2(8) and 2.2(9) of the Regulations, to devote at least 40% of its musical selections from content category 2 (Popular Music) in each broadcast week and between 6 a.m. and 6 p.m. from Monday to Friday to Canadian selections broadcast in their entirety.

Outstanding tangible benefits from previous transactions

26. As noted above, Pattison committed to assume any unfulfilled tangible benefits resulting from the specified previous transactions. Given that the amendments to the Act now provide for the imposition of expenditure requirements through orders issued pursuant to subsection 11.1(2), the Commission considers it appropriate to order Pattison to pay the outstanding tangible benefits.
27. Accordingly, pursuant to subsection 11.1(2) of the Act, the Commission **proposes to order** Pattison Media Ltd., by **condition of service**, to fulfill those outstanding tangible benefits requirements according to the original terms and timelines for the payments.

Reminders

Force and effect of broadcasting licences

28. Pursuant to section 22 of the 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

29. 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.
30. Although the Revised Commercial Radio Policy 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

31. The Commission has implemented obligations in respect of 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.

Employment equity

32. 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.
33. 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.

Secretary General

Related documents

- *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
- *CKOO-FM Kelowna – Acquisition of assets*, Broadcasting Decision CRTC 2020-383, 27 November 2020

- *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*
- *Conditions of licence for commercial AM and FM radio stations, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009*

This decision is to be appended to the licence.

Appendix 1 to Broadcasting Decision CRTC 2025-31

Terms and expectations for the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia

Terms

The licence will expire 31 August 2026.

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.

Appendix 2 to Broadcasting Decision CRTC 2025-31

Proposed conditions of service for the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia

The Commission proposes to make orders imposing the following conditions of service, including expenditure requirements, on Pattison Media Ltd. in respect of the English-language commercial radio programming undertaking CKOV-FM Kelowna, British Columbia, pursuant to subsections 9.1(1) and 11.1(2) of the *Broadcasting Act*.

Conditions of service

1. The licensee shall adhere to the conditions set out in the appendix to *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. As an exception to the percentage of Canadian musical selections set out in subsections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations), the licensee shall devote at least 40% of its musical selections from content category 2 (Popular Music) in each broadcast week and between 6 a.m. and 6 p.m. from Monday to Friday to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meanings as those set out in the Regulations.

4. The licensee shall fulfill the payment of any outstanding tangible benefits resulting from *CKOO-FM Kelowna – Acquisition of assets*, Broadcasting Decision CRTC 2020-383, 27 November 2020.

According to Commission records, the total outstanding tangible benefits to be paid for the 2024-2025 through 2026-2027 broadcast years amounts to \$12,855. The licensee shall pay the outstanding tangible benefits in equal annual installments over the 2024-2025 through 2026-2027 broadcast years, 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 in 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 tangible benefits each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the *Radio Regulations, 1986*.

5. The licensee shall fulfill the payment of any outstanding tangible benefits resulting from *Radius Holdings Inc. – Change in ownership and effective control*, Broadcasting Administrative Decision CRTC L2024-0002, 26 January 2024.

According to Commission records, the total outstanding tangible benefits to be paid for the 2024-2025 through 2029-2030 broadcast years amounts to \$52,435. The licensee shall pay the outstanding tangible benefits in equal annual installments over the 2024-2025 through 2029-2030 broadcast years, 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 in 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 tangible benefits each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the *Radio Regulations, 1986*.