

December 1, 2014

Mr. John Traversy  
Secretary General,  
Canadian Radio-Television &  
Telecommunications Commission  
Ottawa, ON K1A 0N2

**RE: CRTC Application by Corus Premium Television Ltd. (Corus), on behalf of its wholly owned subsidiary CKNW AM Ltd., to amend the broadcasting licence for the AM radio programming undertaking CKNW Vancouver - Application #2014-1106-6**

Dear Secretary General:

1. Jim Pattison Broadcast Group Limited Partnership (Pattison) welcomes the opportunity to file an intervention regarding an application by Corus Premium Television Ltd. (Corus) to amend the broadcasting licence for AM radio station CKNW to add a new FM transmitter to rebroadcast the programming of CKNW in order to correct coverage deficiencies in downtown Vancouver.
2. Pattison is proudly licenced to operate 2 commercial FM radio stations in the central metropolitan area of Vancouver, B.C. – CJJR FM, a country music station and CKPK FM, a AAA (Adult Album Alternative) music station.
3. This intervention is being filed in **opposition** to the application by Corus to receive CRTC approval to add a rebroadcasting transmitter to correct coverage deficiencies in downtown Vancouver.

## Introduction

4. Pattison clearly understands the reasons that Corus has filed this application whereby the proposed FM transmitter will operate as a full time re-broadcaster of the AM signal within CKNW's existing licenced area, to provide a reliable high quality signal on the FM band to listeners who are no longer able to obtain satisfactory reception of the AM signal, whether in their homes, vehicles, public transit or at their place of employment.
5. Pattison partially agrees with the above Corus statement regarding automobiles, who do experience, **at times**, difficulty receiving a clear and uninterrupted AM signal in the downtown core of Vancouver. This is very dependent on where they are travelling in the downtown area, and in many cases a listener on the AM band only has to travel a city block either east, west, north or south and the reception becomes clear once again.
6. In Pattison's opinion this really doesn't apply to homes or offices whereby potential listeners can utilize the full advantage of the CKNW AM streaming audio from the internet,

or from the cable/fibre BDU's roster of local radio stations to receive a pure and clean signal of CKNW AM, without any degradation in audio.

7. Pattison is concerned with the statement in the Corus Supplementary Brief that states the FM transmitter will operate **as a full time re-broadcaster of the AM signal within CKNW's licenced area**. CKNW's licenced contours are very extensive covering the entire lower mainland, Vancouver Island and parts of Washington State.
8. Corus in its Technical Brief, indicates that it will operate the proposed new FM service on Channel 259 A (99.7 Mhz), with an Effective Maximum Radiated Power of 6.0kW and an EHATT of 75.4 m. Corus also proposes to mount a new directional Sira 2 bay circularly polarized antenna on the rooftop of the existing TD Canada Trust building right in downtown Vancouver at Georgia and Grandville/Howe streets, one of the major intersections in the city.
9. As Pattison is very experienced in mountainous terrain in the province of British Columbia, whereby we operate numerous FM transmitters, we are familiar with what the reach can be of a 3,500 watt or 6,000 watt transmitter that serves a 3 Mv or 5 Mv contour. In most cases the reach of the licensed FM transmitter serves **beyond** an extended market reach, due to the height of the tower, mountain top, antenna system & line of sight.
10. With Corus proposing to mount their tower and antennas on top of one of the tallest buildings in downtown Vancouver, which is 30 stories tall, Pattison submits, upon review of the Technical Brief, that there is every chance that the proposed new FM service may very well be able to replicate the **entire Vancouver central metropolitan area** of the CKNW AM signal.
11. We submit that this would then put licensees such as Pattison, Rogers, Bell, Newcap, CFRO FM, Fairchild, & CBC, all currently licenced to serve Vancouver, at a competitive disadvantage, which brings into question the integrity of the licencing process.
12. Pattison is very concerned that if CRTC Approval was granted to this application it could and would in our opinion open up the floodgates from other companies that currently are licenced to operate an AM radio station in the Vancouver market.
13. If approval was granted to the Corus application, then in our opinion, all other AM competitors, who also operate 2 FM stations in the market, would want to compete on a level playing field. With approval, Corus in reality would be operating 3 FM licences in Vancouver, and most if not all competitors operating an AM licence would apply for a new third FM service to compete against the 3 Corus FM stations.
14. As Pattison only operates 2 commercial FM stations and no AM station, we would really be at a competitive disadvantage against our current competitors. The same can be said of the "stand alone" stations, one of which has not yet launched in the market.

### **Common Ownership Policy**

15. In Pattison's opinion the crux of the matter in this opposing intervention is centered around the CRTC's Common Ownership Policy which by regulation states that in markets with

more than 8 commercial stations operating in a given language, a person may be permitted to own or control as many as 4 stations operating in that language, **with a maximum** of 2 stations in any one frequency band.

16. Corus believes that their application is for a technical amendment to the licence of its AM station, CKNW. While the application proposes the addition of an FM transmitter, it is in the context of the existing AM licence and Corus believes that this does not represent a new service.
17. Pattison **respectfully disagrees!**
18. If Corus was granted approval of their application, what would stop them from changing formats of the station in the future, if this “nested” FM application didn’t work and the ratings on their news/talk station continued to decline in listenership and revenue?
19. In Pattison’s opinion, Corus could, in reality, have a “**reverse**” opportunity of launching a new “music intensive” format on the proposed “nested” 99.7 MHz, and rebroadcast it on the 980 AM frequency! This would again allow Corus to have the ability to operate 3 commercial FM stations in the market to the detriment of Pattison’s 2 commercial FM stations, and those of other operators in the market.
20. Pattison has operated in the Vancouver market for over 49 years and has extensive history and knowledge on the ever changing competitive media marketplace. Pattison reiterates that the proposed rebroadcasting transmitter, its location, tower height and power has the potential to serve the vast majority of listeners not only in the downtown core, but in the vast lower mainland coverage area of CKNW AM as a “new” commercial FM station, rather than just a “re-broadcaster”!

#### **Broadcasting Regulatory Policy CRTC 2014-554 – A targeted policy review of the commercial radio sector**

21. Pattison submits that the recent Commission review of certain aspects of its commercial radio policy that was released on October 28, 2014 continues to support the Common Ownership Policy (COP) as we know it today. The CAB CEO Radio Council submitted that the Commission, amongst other items tabled through the process, should amend its approach to its COP for radio by, at a minimum, permit licensees to hold 3 FM stations in a market of 8 stations or more conditional on one of the stations operating in a Specialty Format.
22. The Commission in the radio policy update BRP 2014-554 **didn’t even address this matter**, and therefore one must consider that the current policy related to Common Ownership is still in place.
23. Pattison also does not agree with the applicant that an exception to the rules should be granted for the Corus application, citing BD CRTC 2010-942, transfer of effective control of various commercial radio programming undertakings from Corus Entertainment Inc. to Cogeco Inc. in Montreal.

24. Cogeco requested as part of the transaction that included the transfer of ownership from Corus that it be allowed to acquire CHMP FM, CKOI FM and CKAC AM. As Cogeco already was licenced to operate CFGL FM this would put them in contravention of the Common ownership Policy.
25. The Commission approved the application because of the view that the viability of a major predominantly spoken word station on the FM band in the Montreal market is **singularly** important.
26. Cogeco was granted approval to purchase CHMP FM Montreal, along with the other 2 Corus stations with consideration given to ensure the long-term viability of the only French language spoken word commercial radio station in that market.
27. The **same determination does not apply** in the Vancouver marketplace!
28. Corus is a very worthy and totally respected radio company operating a profitable AM/FM radio combo in the market. Nowhere in their application do they profess that their application is based on financial hardship. Yes, ratings and revenues have decreased over the past few years, but that is the norm across Canada with all AM stations for the most part. Younger audiences are simply not interested in AM radio anymore.

#### **New Station in Vancouver Market**

29. In the policy review of the commercial radio sector, BRP CRTC 2014-554 related to a common approach to the call for applications process, **paragraph #22** stated: *“as previously indicated, the Commission will not generally be disposed to accept applications for a commercial station in a specific market for a period of two years following the issuance of a decision approving a new service as a result of a call, or where it has decided not to issue a call due to market capacity concerns”*.
30. Recently the Commission approved an application by Roundhouse Radio, CRTC Decision 2014-412, for a new licence for a Specialty licenced niche spoken word offering targeting adults aged 25 to 54 years of age living in downtown Vancouver.
31. This new station has not even launched yet, and this application if approved could have a very serious negative impact on the licensee as both stations will be competing for the same type of listener and advertising revenue.
32. Pattison does suggest that the station should be allowed to go to air without further additional competitive challenges such as a newly licenced FM re-broadcaster of a major Vancouver AM station that will replicate the coverage area of the new radio entrant.

#### **Channel Selection and interference Analysis**

33. In the Canadian FM Allotment Plan, there's no available allotments for Vancouver, B.C. and the intent of the applicant is to drop in and use Channel 259A (99.7 MHz) for this application.

34. As the licensee of CHPQ FM in Parksville/Qualicum Beach at 99.9 MHz (Channel 260A), **first adjacent** to the proposed 99.7 MHz, Pattison has reviewed the Corus Technical Brief and does have concerns.
35. The technical brief clearly shows that the distance from the proposed Corus site to our CHPQ FM transmitter location is 87.4 KMs, while the Minimum separation required is 97 KMs.
36. If approval is granted to the Corus application, the location on the TD Canada Trust building rooftop combined with the Effective Radiated Power, tower location, height of tower and antennae system does have the potential to provide serious technical impairment to our station. The location on the TD Canada Trust building will have a "clear" line of sight for the signal to reach Central Vancouver Island unimpeded, and could have injurious technical consequences to CHPQ FM's first adjacent frequency - 99.9 MHz.

## Conclusion

37. The Jim Pattison Broadcast Group totally respects Corus Premium Television Ltd. as well as their very professional management and employee teams across the country. Corus does radio well and their history of committing to the communities they are licenced to serve does speak for itself. Pattison also has the same values, integrity and commitment to our communities as Corus does.
38. But, for all our reasons stated in our opposing intervention, Pattison urges the Commission to **deny** this application by Corus Premium Television Ltd. to amend the licence of CKNW AM Vancouver. This application if approved in our respectful opinion, will certainly open the door to the other AM licence holders in the market to apply for a third FM licence to level the competitive play field. This is not in the public interest or that of circumventing the Commission's long standing Commercial Radio Policy. As stated earlier, it would also be a competitive "imbalance" for our 2 Pattison stations in the marketplace as well!
39. The Jim Pattison Broadcast Group wishes to thank the Commission for the opportunity to comment and intervene in this licencing process.
40. A copy of our intervention has been delivered to Corus Premium Television Ltd.

\*\*\*\*\*End of Document\*\*\*\*\*

Yours truly,



Rick Arnish  
Chairman

cc: Corus Premium Television Ltd. Sylvie Courtemanche Vice President & Associate General Counsel