



December 1, 2014

***Via GCKey***

Mr. John A. Traversy  
Secretary General  
**Canadian Radio-television and  
Telecommunications Commission**  
Ottawa, Ontario K1A 0N2

Dear Mr. Traversy:

**Re: Part I Application by Corus Premium Television Ltd. for the addition  
of an FM transmitter in New Westminster, British Columbia  
(Application No. 2014-1106-6) – Intervention by Rogers Media Inc.**

1. Rogers Media Inc. (Rogers) hereby files this intervention to the above-noted application by Corus Premium Television Ltd. (Corus). While Rogers takes no position with respect to the particular merits of this application, it is our view that should the Commission approve this application it should also be willing to approve similar applications from other licensees of AM stations in the Vancouver market for “nested” FM transmitters.
2. Corus is making this application for the purpose of rebroadcasting the signal of CKNW (AM 980) within its existing licenced area to correct coverage deficiencies in Downtown Vancouver associated with its AM signal. The Applicant states the coverage deficiencies are due to high-rise buildings and electronic interference, in part from Vancouver’s trolley bus fleet and the proliferation of mobile devices.
3. Rogers owns and operates radio stations in the Vancouver market, including AM station CKWX (News1130). Consequently, we are also acutely aware of the coverage deficiencies affecting AM stations in Downtown Vancouver as outlined by Corus in its application. Our station CKWX is also in serious need of a solution to correct significant interference with its signal.
4. In addition to CKNW, Corus owns and operates three other English-language stations in the Vancouver market (CHMJ, CFMI-FM, and CFOX-FM). The Commission’s Common Ownership Policy (COP) allows a person to own and control a maximum of four stations operating in a given language, with a

maximum of two stations per frequency band, in markets with eight commercial stations or more (such as Vancouver). Corus argues that the addition of a nested FM transmitter for CKNW would not violate the COP or, if the Commission determines that it would, the Commission should grant an exception due to technical need.

5. As stated above, Rogers takes no position with respect to the merits of the current application submitted by Corus. However, we agree with Corus that the addition of a nested FM rebroadcast transmitter within the licensed service area of an existing AM station should not violate the COP. Accordingly, we submit that should the Commission approve this application for a nested FM transmitter then it must be prepared to grant the same remedy to other AM stations experiencing such technical interference regardless of whether the licensee already owns and operates two FM stations in the market.

### **AM stations are in a state of decline**

6. It is indisputable that the AM radio sector is in decline. Any potential measure of success demonstrates that AM stations are facing serious challenges. Over the last ten years the number of AM radio stations has decreased, AM stations have lost significantly more share than their FM counterparts and have experienced declines in both revenues and profitability. Specifically, between 2006 and 2012, the number of private commercial AM stations decreased by 48 while, at the same time, the number of FM stations increased by 127.<sup>1</sup> Armstrong Consulting reports that between Fall 2005 and Fall 2013, AM stations lost a significant amount of listening share across all demographic groups and groupings.<sup>2</sup> Given these trends it can be no surprise that AM radio revenues are also falling.
7. In his report *Canadian Commercial Radio 2014-2020 An Environmental Scan*, Peter Miller identifies the challenges to AM radio:

*The reality is that if most mainstream commercial AM stations don't convert to FM in the next five years, they are unlikely to be around. Failure to create a path for legacy AMs to convert to FM will at best cost profitability and format diversity in the system; at worse miss an opportunity that is central to the competitiveness of radio vis-à-vis competing Internet radio options: that is, the maintaining of a strong local news and information focus often as the sole provider in times of emergency.*<sup>3</sup>

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<sup>1</sup> Peter Miller, "Canadian Commercial Radio 2014-2020 An Environmental Scan," January 29, 2014, page 30.

<sup>2</sup> Armstrong Consulting, "The Structure and Performance of the Private Commercial Radio Industry in Canada 2006-2012," January 16, 2014, page 5.

<sup>3</sup> *Supra*, page 32.

8. Rogers recognizes the gravity of these challenges as the owner and operator of all news AM stations News 1130 in Vancouver (CKWX), 660 News (CFFR) and Sportsnet The Fan 960 (CFAC) in Calgary, 680 News (CFTR) and Sportsnet The Fan 590 (CJCL) in Toronto, and news/talk station News 570 (CKGL) in Kitchener and 1310 News (CIWW) in Ottawa. While these stations have strong listener loyalty due to the quality of their programming and importance to the public, they also experience significant technical issues many of which are common in the AM radio sector and in some cases unique to their frequency in the market.
9. Across the country, the increase in radiated noise from new electronic devices and urban transport, such as mobile phones and electric tramways, has greatly contributed to the technical interference experienced by AM stations resulting in many AM signals being completely inaudible in the downtown core of large urban centres.
10. It is clear that the current technical state of AM radio is quickly becoming untenable, particularly in large markets. While digital alternatives made possible through the “connected car” and mobile devices may be available in the future, they are not viable alternatives at this time. Moreover, as the Commission recently noted in Broadcasting Regulatory Policy CRTC 2014-554, *A targeted policy review of the commercial radio sector*, HD radio is still in its initial stages and faces a number of challenges including low consumer awareness, availability of receivers, and high capital cost investments. Given the lack of a clear digital alternative for AM stations, we submit that the Commission should allow AM stations, particularly those offering news and information programming, to find a place on the FM dial. In Rogers’ view, all-news and news/talk stations provide an invaluable public service in their communities, particularly in times of emergency, and further the objectives of the *Broadcasting Act* through the provision of high-quality local programming. Accordingly, we respectfully submit that allowing the transition of AM stations to the FM band, where necessary to correct serious technical issues, is in the public interest.
11. Rogers’ AM radio station in Vancouver News 1130 (CKWX) is experiencing the same technical issues outlined by Corus in its application. However, these challenges are further compounded by significant technical interference from U.S. radio station KQRR, a Russian-language station on 1130 kHz based in Mount Angel, Oregon, within CKWX’s protected coverage area. Despite numerous discussions with Industry Canada and the Federal Communications Commission over several years, there has been no progress in resolving this issue. This technical interference has resulted in numerous listener complaints and as such Rogers has been considering a number of possible technical solutions including the establishment of a rebroadcast transmitter on the FM band.

12. However, similar to the current application by Corus, an FM solution for CKWX is not possible under the COP unless an exception is granted for either technical or economic reasons. Given the number of unsuccessful applications for “nested” FM rebroadcast transmitters by private broadcasters<sup>4</sup> over the last few years, the Commission appears to have set an exceptionally high threshold for granting such exceptions. We respectfully submit that in order to ensure AM stations remain relevant to listeners and are able to continue the provision of high-quality programming in their communities, the Commission should reconsider its current approach to “nested” FM applications under the COP.

### **A nested FM transmitter should be permitted under the Common Ownership Policy**

13. The COP prohibits a person from owning more than two AM stations and two FM stations in a market with eight commercial radio stations or more. Rogers submits that an FM rebroadcast transmitter operating with the licensed service area of an existing AM station should not count as an additional station within the context of this policy since it does not constitute an additional service in the market.
14. In our view, a rebroadcast transmitter on the FM band does not represent a new service as it is merely rebroadcasting the programming of the AM station within its existing contours. It is simply correcting coverage deficiencies caused by technical interference commonly experienced by AM stations.
15. While Rogers believes it is appropriate for the Commission to require evidence of a technical or economic nature in order to satisfy itself that an application represents the best use of an FM frequency, we do not believe applications for “nested” FM rebroadcast transmitters within the licensed contour of an AM station should be rejected simply because approval would violate the COP as it is currently interpreted.
16. For these reasons, Rogers does not believe that approval of the Corus application constitutes a violation of the COP as their proposed FM rebroadcast transmitter will operate within the licensed service contours of an existing AM service in the market. Accordingly, should the Commission approve the Corus application, we believe other applications of a similar nature should be approved on the same basis in an expedited manner.

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<sup>4</sup> Broadcasting Decision CRTC 2013-238, CKNX Wingham, New FM transmitter in Wingham, May 10, 2013; Broadcasting Decision CRTC 2012-307, CHQR Calgary, New FM transmitter in Calgary, May 24, 2012; and Broadcasting Decision CRTC 2007-350, CJOB Winnipeg, New FM transmitter in Winnipeg, September 7, 2007.

17. Rogers appreciates the opportunity to file these comments with respect to this application.

Sincerely,

A handwritten signature in dark ink, appearing to read "Susan Wheeler". The signature is fluid and cursive, with a large, stylized initial "S".

Susan Wheeler  
Vice-President, Regulatory, Media  
Rogers Communications Inc.

c.c. Sylvie Courtemanche, Vice-President and Associate General Counsel,  
Government Relations and Compliance, Corus Entertainment Inc.

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