



Canadian  
Association of  
Broadcasters

L'Association  
canadienne des  
radiodiffuseurs

August 13<sup>th</sup>, 2004

Ms. Diane Rhéaume  
Secretary-General  
Canadian Radio-television and  
Telecommunications Commission  
1, Promenade du Portage  
Gatineau, Quebec K1A 0N2

Dear Ms. Rhéaume:

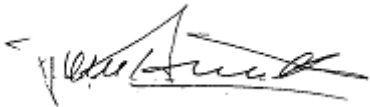
**Re: Broadcasting Notice of Public Hearing CRTC 2004-5 –  
Application No. 2004-0040-9 by Little Mountain Radio**

1. The Canadian Association of Broadcasters (CAB) – the national voice of Canada's private broadcasters, representing the vast majority of Canadian programming services, including private television and radio stations, networks and specialty, pay and pay-per-view televisions services – is pleased to submit this intervention to the above-noted application.
2. Andrew Quinn Young and Dallas Wolbaum, partners in a general partnership carrying on business as Little Mountain Radio (LMR), have applied for a licence to operate an English-language low-power FM commercial radio programming undertaking in Nelson, British Columbia. The new station would operate on frequency 107.7 MHz (channel 299 LP) with an effective radiated power of 36 watts at a height of 25 meters. The applicant proposes a Classic/Alternative Rock format.
3. The CAB **opposes the above-noted application** for the following reasons:
  - LMR's application does not meet the objectives identified in the licensing policy for low-power radio undertakings outlined in Broadcasting Public Notice CRTC 2002-61 *Policy Framework for Community-based Media* (PN 2002-61);

- LMR has failed to provide substantial evidence that demonstrates relevant community need for an additional service in the Nelson market; and
  - LMR's proposed service is commercial in nature, offering a mainstream music format under the form of a low power radio undertaking, and should therefore trigger a call for applications in the Nelson market.
4. As the CAB noted in its submission to the Commission respecting Public Notice CRTC 2001-19 *Review of Community Channel Policy and Low-Power Radio Broadcasting Policy*, low-power radio undertakings have emerged in numerous markets over the past several years. While their geographic coverage area may be limited, their market reach can be extensive. For example, LMR's proposed low-power radio service in Nelson would cover 89% of the population as that serviced by CHNV-FM, a local regular Class A1 station operating under the normal FM rules. The proposed LPFM station, on the other hand, would operate under less onerous regulatory obligations while still offering a music format traditionally provided by mainstream conventional radio stations.
  5. It is the CAB's position that low-power radio undertakings should provide niche-focused services that provide true diversity of voices in the broadcasting system, for example tourist/weather information or other services of direct and local relevance. Such services complement rather than compete with existing radio services in the market. Low-power radio services must not represent a new, low-cost competitive layer with few obligations for licensees and a lower threshold to market entry.
  6. In PN 2002-61, the Commission clearly states as a fundamental element of its licensing policy for low-power radio that "[l]ow-power radio undertakings should not replicate the programming offered by existing services." Accordingly, the Commission's licensing policy requires all applicants for low-power radio services to demonstrate how their proposed service will fulfill the following objectives:
    - The contribution of an additional, diverse voice to the markets served.
    - The presentation of programming that complements that of existing licensees in the market.
    - The fulfillment of demonstrated community needs.
  7. The CAB submits that LMR's application has failed to demonstrate how its proposed service will meet any of the above-noted licensing objectives. Contrary to offering a diverse voice in the market, LMR's proposed commercial service plans to offer a Classic/Alternative Rock music format, which is traditionally provided by mainstream conventional radio stations.

8. Furthermore, LMR's application fails to provide any substantial or objective evidence that demonstrates there is a relevant community need for its proposed service or any additional service in the Nelson market. The CAB notes that there are currently two conventional local private commercial radio stations operating in the Nelson market, CHNV-FM and CKKC-AM 880, offering Pop, Rock and Dance formats, a CBC rebroadcasting station and a local co-operative radio station CJLY-FM, all of which offer a variety of local and regional programming.
9. The nature of the above-noted application underscores the CAB's serious concern that the Commission's licensing policy for low-power radio will be used as a "back door" entry into the system for applicants wishing to operate conventional radio undertakings but not willing to shoulder the regulatory obligations that accompany such a licence. In reviewing LMR's application the Commission must not underestimate the significant impact that the introduction of new, ostensibly "non-competitive" services can have on existing licensed radio undertakings, particularly in smaller markets where licensed local services are under constant pressure from all media sources.
10. For these reasons, the CAB urges the Commission to deny the application by LMR for a low power FM commercial radio station in Nelson, British Columbia.
11. The CAB does not wish to appear at the September 7<sup>th</sup>, 2004 hearing in Gatineau, Quebec.

Yours truly,



Pierre-Louis Smith  
Vice-President, Radio

cc: Andrew Quinn Young, President, Little Mountain Radio  
Dallas Wolbaum, Vice-President, Little Mountain Radio  
Marc O'Sullivan, CRTC

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