



# **CAB submission - BNPH CRTC 2008-2 –Item 27- Application No. 2007-1694-6 by Russ Wagg for a**

**Low-power English-language FM Commercial Radio Programming  
Undertaking in Quadra Island, British-Columbia**

**Friday, May 2, 2008**

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**CAB Vision: The goal of the CAB is to represent and advance the interests of Canada's  
private broadcasters in the social, cultural and economic fabric of the country.**

May 2, 2008

Mr. Robert A. Morin  
Secretary General, Corporate and Operations  
CRTC  
Ottawa, Ontario  
K1A 0N2

Dear Mr. Morin:

**Re: Broadcasting Notice of Public Hearing CRTC 2008-2, Item 27 – Application No. 2007-1694-6 by Russ Wagg on behalf of a corporation to be incorporated for a licence to operate a low-power English-language FM commercial radio programming undertaking in Quadra Island, British-Columbia.**

1. The Canadian Association of Broadcasters (CAB) is the national voice of Canada's private broadcasters, representing the vast majority of Canadian programming services, including private radio and television stations, networks, specialty, pay and pay-per-view services. The goal of the CAB is to represent and advance the interests of Canada's private broadcasters in the social, cultural and economic fabric of the country. The CAB is pleased to submit this intervention respecting the above-noted application.
2. This application is for a licence to operate a low-power English-language FM commercial radio programming undertaking to serve the community of Quadra Island, British-Columbia. The new station would operate on frequency 95.9 MHz (channel 240) with an effective radiated power of 50 watts at a height of 21 meters. The applicant proposes to provide an easy listening music format.
3. The CAB **opposes the above-noted application** for the following reasons:
  - This 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 CRTC 2002-61);
  - The information filed with the application shows that the transmitter and the antenna will be situated in Campbell River and the proposed coverage area barely reaches Quadra Island, while fully covering the Campbell River area, a market already served by three private full power commercial radio stations (one station based Campbell River, and two stations based in nearby Courtenay); and

- The applicant has not adequately demonstrated that its proposed service will not have an undue negative commercial impact upon the incumbent broadcasters in the Campbell River radio market.
4. 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, ethnic or other services of direct and local relevance. Such services complement rather than compete with existing radio services in the market. CAB recommends that low-power radio services must not represent a new, low-cost competitive service with few obligations for licensees and a lower threshold to market entry.
  5. In PN CRTC 2002-61, the Commission clearly states as a fundamental element of its licensing policy for low-power that "[l]ow-power radio undertakings should not replicate the programming offered by existing services". Accordingly, the Commission's licensing policy requires all low-power applicants to demonstrate how their proposed service will fulfill the following objectives:
    - The contribution of an additional, diverse voice to the market served;
    - The presentation of programming that complements that of existing licensees in the market; and
    - The fulfillment of demonstrated community needs
  6. The CAB submits that the applicant has failed to demonstrate how its proposed service will meet any of the above-noted licensing objectives.
  7. First, the CAB understands that the applicant is already operating an LPFM travel information station in Campbell River. Given that the contour map filed with the application indicates that the transmitter of the proposed LPFM station would barely reach Quadra Island while covering the Campbell River radio market, the applicant would not contribute an additional, diverse voice to the market served.
  8. Second, the applicant purports to offer an easy listening music format, which is traditionally provided by mainstream conventional full power radio stations. Further, given that the applicant proposes a popular music format, should the Commission authorize the proposed service; nothing could prevent it from changing its music format once licensed. Given that the proposed coverage area appears to be centered on Campbell River radio market rather than Quadra Island, it is reasonable to believe that the applicant will want to compete for advertising dollars in this market, which is nine times larger (36,000 population) than the Quadra Island community (4,000 permanent residents, growing to 8,000 during the summer period). Therefore, approval of this application could have severe undue negative commercial impact on the incumbent three commercial radio stations serving the Campbell River radio market.
  9. Third, the CAB notes that the applicant has filed a listener survey in support of its application. However, given that the proposed coverage area of the station will barely reach Quadra Island it begs the question how the proposed service would be serving the needs of the community of Quadra Island?

10. Finally, the CAB notes that the applicant has not provided any assessment of the impact of the proposed service on the three incumbent commercial radio services licensed to serve the Campbell River radio market where the proposed service will have its transmitter site and antenna, which will provide a better coverage of this market than the Quadra Island community it is intended to serve.
11. As the CAB has previously stated, while the policy framework currently in place for low power radio places a priority on the principle of complementary services, the reality is that low power radio, especially commercial low power FM stations like the one proposed by the applicant, often represents another layer of competition for private radio broadcasters. The impact of low power FM in small markets, such as Campbell River (total population of 36,461), can be severe, as frequencies are less scarce and applications are more likely to offer commercial competition due to extensive coverage area despite their low effective radiated power. Hence, our concern about applicants potentially using low power radio as an opportunity to enter the broadcasting system “through the back door”, with few regulatory obligations carried by private radio commercial radio operators.
12. Based on the information filed with the application, the CAB is of the view that the proposed application for a low power English-language FM programming undertaking to serve Quadra Island will be, if licensed, a back door entry to the system without going through a competitive licensing process.
13. **For these reasons, the CAB urges the Commission to deny the application by Russ Wagg, on behalf of a corporation to be incorporated, for a low power English-language FM commercial radio programming undertaking in Quadra Island, British-Columbia.**
14. The CAB appreciates the opportunity to provide its comments in this proceeding and does not wish to appear at the May 27th, 2008 hearing that will be held in Edmonton, Alberta.

Yours truly,

*Original signed by*

Pierre-Louis Smith  
Vice-President, Policy & Chief Regulatory Officer  
c.c.: Mr. Russ Wagg (via Email: [rrwagg@gmail.com](mailto:rrwagg@gmail.com))

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