Broadcasting Notice of Consultation CRTC 2020-374
Commercial Policy Framework Review
Rogers Media Inc.

March 29, 2021

Introduction/Executive Summary

1. Rogers Media Inc. (Rogers) is pleased to provide these comments on the crucial issues raised in Broadcasting Notice of Consultation 2020-374 – *Commercial Radio Policy Framework Review* (BNC 2020-374).

2. Rogers is a member of the Canadian Association of Broadcasters (CAB) and we support their comments submitted in this proceeding. As the CAB submission provides a thorough overview of the economic health of the radio business in Canada, and the significant disruptions foreign online streaming services have had on the industry, we will not reiterate those troubling facts and trends in this submission. The CAB details the unprecedented changes that have occurred in the radio business landscape since the Commission's last wholesale review of radio regulations in 2006. Those changes would be unrecognizable if viewed through the policy lens of fourteen years ago.

3. It is clear from the current media environment that many of those policies are no longer appropriate, relevant, necessary, or effective in ensuring a robust and competitive radio sector that serves the public interest and meets the needs of modern day consumers of audio content. In several crucial areas, existing Commission policies have served increasingly to inhibit our ability to compete long-term alongside foreign unregulated online streaming services. The existing policy framework neither envisioned nor effectively accommodates foreign online market forces, and the result has been an inequitable, unbalanced regulatory landscape that hobbles Canadian operators with a myriad of outdated restrictions that no longer bear any relevance to the current competitive radio market and do not apply to our online competitors.

4. In particular, Commission policies relating to content restrictions and ownership limitations need to be modernized in order to bolster our ability to effectively compete and survive. Current policies, designed to inhibit consolidation in markets and promote diversity of voices, are now outdated with the arrival of Spotify, Apple Music and other foreign streamers in Canada offering global audio content. Faced with competitors of staggering scale and global revenues, Canadian radio operators have been prevented by current regulations from consolidating in important markets that would allow us to

build our brands and launch meaningful counter-offerings that can compete for listeners' time.

5. For example, since the last comprehensive review of the Policy Framework for the commercial radio sector in 2006, the following services have appeared to compete with the Canadian radio sector for ad dollars: Facebook and Twitter in 2006, Instagram in 2010, Spotify in 2014 in Canada, and TikTok in 2016. There was no SoundCloud, no Club House, and podcasts had just been created as an audio medium.

6. Furthermore, while foreign online streaming services have no regulatory requirements in Canada, Canadian operators, both large and small, navigate a highly complex system of reporting requirements, financial disclosures, quotas, content and format restrictions and laborious application procedures for even minor technical amendment requests many of which do not get processed or considered in a timely manner due to Commission prioritization practices. All of which we respectfully submit calls into question the need for this level of prescriptive oversight, particularly when the Commission cannot often keep up with the administrative demands of the sector. The resources required to prepare the many reports broadcasters must complete should not be underestimated; local news audits for television, for example, take an entire week for one news director to complete – in addition to performing their day-to-day functions – and require time from additional personnel to gather the requisite information. For our news gathering teams, this is time taken away from reporting on local news, while foreign online competitors have no such constraints on where they direct their human resources.

7. In this submission, Rogers addresses the need to take a more targeted and limited approach to regulation and provides additional comments on the areas where we think policy changes are most needed to support and grow the health of the Canadian radio broadcasting system, namely:

- Common Ownership Policy: support the CAB position, including its proposal to establish a simpler process for facilitating the migration of AM stations to the FM band, and its additional rationale for the necessity of consolidation in the face of foreign online competition;

- Programming: proposal to loosen or eliminate station format restrictions so that stations can respond to market demands without unnecessary regulatory hurdles, including the importance of transitioning AM bands to FM;

- Hits/Non-Hits: proposal to eliminate this outdated policy restriction that assumes regulation can control or influence listener behaviours in a world where technology puts no limits on choice and access. The idea that in 2021 an English-language hit radio station operating in Montreal or Ottawa cannot play hit music for their listeners is something most Canadians would not believe is an actual rule enforced by a Government agency. The policy has been proven to be ineffective and outdated for decades now and must be eliminated; and

- Funding: proposal to eliminate tangible benefits to foster competitive equivalence for domestic radio stations competing with foreign online streaming services, and comments on how discretionary CCD contributions can best serve local audiences and Canadian music artists.

8. Traditional operators of over-the-air (OTA) radio stations in Canada continue to have, in the short term, a competitive distribution advantage with our free OTA signals. Implementing critical changes to Commission policy now would allow stations to leverage the audience reach still afforded by OTA transmissions thereby bolstering a successful transition to digital platforms and making the sector ultimately more competitive. These critical changes must recognize that the AM band, given its significant technical challenges and inferior audio quality, is an all-but-dead and increasingly non-viable platform, and that the FM band is the only band where traditional broadcasters can meaningfully compete.

9. Without the timely implementation of the progressive changes we propose in this submission, we risk losing the strong resilient radio sector that our public policy frameworks have helped build to date. Canadian radio stations provide essential, local news and information programming that is not provided by online streaming competitors. News and information content is the most expensive content to produce; and yet we continue to invest in this content despite drastically declining revenues, and without imposed Commission quotas, because we know that local news and information is one of the central reasons Canadians tune to our stations. This is a prime example of how, without restrictive regulatory measures, Canadian radio stations provide an essential service based on listener demand and market realities. It is also a prime example of an essential service that cannot and likely will not be provided by foreign competitors.

10. Given this reality, Rogers submits that instead of over-regulating Canadian media companies and preventing them from consolidating, government and public policy should create a framework that values Canadian ownership and allows us to leverage the advantage we still have with our OTA signals. Commission policy should focus on strengthening radio's position in the Canadian market while also enabling competition with Spotify, Apple Music and any other new players in the audio space (such as Club House, Twitter Spaces, Fireside (funded by Mark Cuban), and the myriad of other live talk radio platforms currently being developed). Policy changes such as allowing AM stations to follow their audiences to FM, without restriction, will allow us to strengthen brands and demand for content. This will, in turn, create a strong foundation on which to build a digital product that can compete with foreign streaming services, most particularly at a local level.

11. Without consolidation and the removal of unnecessary and inequitable regulations (such as the "Hits/Non-Hits" policy and tangible benefits requirements) we cannot be the nimble and creative media producers we need to be to compete with global tech giants who are far better capitalized. The regulations must be updated not just to meet today's needs, but the needs of the industry in five, 10, 15 and 20 years. That means maximum flexibility and nimble, targeted regulations designed to help Canadian

broadcasters succeed no matter what unexpected disruptions occur in the marketplace. The last major commercial radio review happened in 2006. If those reviews are only going to take place once every 15 years, the Commission needs to make bold changes that will position Canadian media companies for future success. To do otherwise will surely contribute to the decline and disappearance of Canadian owned local media.

12. Rogers has grouped our comments below in the order in which the issues have been presented in BNC 2020-374 and under their respective headings. **When there are questions to which we have specific answers, they are repeated in bold for clarity.**

Programming: Regulation of Formats

13. Rogers considers current Commission policies circumscribing the formats in which FM stations can operate as outdated and inequitable restrictions that hinder our ability to operate competitive, profitable stations. The Commission has not modified restrictions on permitted formats for FM stations since 1995 (Public Notice CRTC 1995-60, *A review of certain matters concerning radio*), at which time it determined that it was appropriate to maintain a separate format for specialty stations broadcasting spoken word content. As a result, FM stations are free to move between Group I and II (Pop, Rock and Dance/Country), but are not permitted to move into or out of Group III (Specialty, including News or Talk) unless otherwise allowed by specific condition of licence.

14. This restriction was maintained in Broadcasting Regulatory Policies 2009-62 (*Conditions of licence for commercial AM and FM radio stations*) which upheld the prohibition on FM stations operating within the Specialty format other than by condition of licence. No policy rationale was provided at that time for maintaining the restriction, other than a reference to the existing 1995 policies stated in *A review of certain matters concerning radio*.

15. Policies restricting FM competition with AM date back to a time when AM dominated the market: "AM ruled for decades, even after FM started gaining acceptance in the late 1960s. FM listenership was once so low that AM operators simply simulcast their programming on their FM outlet. When broadcasting rules put an end to that in the 1970s, FM was restricted from competing with AM with rules and regulations that ensured programming on FM would be different. No one wanted to disrupt all the cash coming from AM stations."[1]

16. Clearly, times have changed. The *CRTC Communications Monitoring Report 2020* shows that tuning share for AM stations as of 2019 was only 12.8% (a 3% overall decline from just 2017) compared to 60.5% for FM stations.[2] More prone to signal interference and static, AM popularity has steadily declined. This steady decline in tuning impacts both revenues and listener engagement making the AM band increasingly unviable for commercial operators.

17. Rogers submits that, given the current position of AM in the market and the inferior listener experience it offers, there is an urgent need to migrate AM's programming to the FM band. Under the current rules, if a licensee of an FM station wished to migrate its AM programming (news/talk) to FM there are three administrative barriers to doing so: 1) the licensee must receive approval to operate in a specialty format; 2) the licensee is limited in the amount of time it can simulcast its programming and migrate listeners to 42 hours in a broadcast week; and 3) without a relaxation to the common ownership rules a licensee would have to displace an existing format to accommodate its AM programming which impacts both revenue and audiences. Rogers sees no contemporary policy rationale for the above restrictions and urges the Commission to consider the operational and administrative complexities associated with these requirements and determine whether they in fact continue to serve the public interest.

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[1] Alan Cross, "Alan Cross on why he treasures the magic of AM radio", Global News, Feb 14 2021, https://globalnews.ca/news/7616773/am-radio-history/

[2] Communications Monitoring Report, 2018, 2020.

18. Notwithstanding, Rogers supports the CAB's recommendation that stations awarded a specialty licence through a competitive licensing process should continue to require CRTC approval prior to switching formats.

19. In all other cases, restrictions on formats should be eliminated in recognition of both the redundancy of current policies and the fact that these restrictions put Canadian stations at a further disadvantage while competing with foreign online streaming services that do not have any restrictions on the content or format categories they offer. Requests to flip in and out of a specialty format (except in the case of licenses awarded through a competitive process) should not trigger a CRTC process and simply be subject to a notice requirement, similar to the regime for discretionary services which requires licensees to provide notice when changing the programming offered by a discretionary service.[3]

20. Furthermore, restrictions on the number of FM stations in a market should be eliminated in order to accommodate those operators who seek to migrate AM stations to FM. The Commission's Common Ownership Policy (COP) prohibits more than two FM stations in a given market while still allowing ownership of a total of 4 stations (2FM & 2AM) in large markets. While Rogers submits further rationale for the elimination of this restriction below, we want to underscore that even just eliminating the band restrictions would have a significant impact on radio licensees' ability to serve audiences and produce news and information programming at current levels.

Programming: Policy on Emerging Artists

Q18. Should the Commission impose quotas requiring the broadcast of music by emerging artists? If so, what should be the percentage be? How should this type of programming be measured for monitoring purposes? How should the percentage vary depending on a station's music format or language?

Q19 What mechanisms should be put in place to ensure that broadcasters do more to promote emerging artists and foster musical diversity? On which platform(s) should these mechanisms be implemented (e.g., over-the-air

[3] CRTC 2016-436, Appendix 2 at para 6.

broadcasts, the station's website or social media)? How could these mechanisms be measured by the Commission for monitoring purposes?

21. As detailed in the CAB's submission, emerging Canadian artists can now access their audiences directly via the internet and have access to various streaming platforms (such as SoundCloud) to promote themselves and find new audiences. While many of these streaming platforms are playing a role in helping to promote new artists, they are not subject to any regulatory requirement to do so. Rogers maintains that until foreign online streaming services are subject to comparable regulatory obligations as broadcasters, as is clearly envisioned in new Broadcast legislation (Bill C-10), no additional regulatory obligations, including quotas for emerging artists, should be imposed on broadcasters. Having said that, it is clear that any company, Canadian or foreign, seeking to operate in today's media environment can ill afford to have inflexible rules and restrictions place on their operations. For this reason, the Commission must consider how to influence its public policy objectives through incentive-based mechanisms and not prescriptive regulatory requirements.

22. For example, Rogers urges the Commission to consider the CAB's proposal to create a 1.5 Emerging Artist Credit to the MAPL system as an incentive-based mechanism for promoting emerging artists. As outlined by the CAB, an artist would be considered "emerging" under this proposal when a period of five years or less has elapsed since the release of the artist's first commercial release. Each qualified artist would be credited as receiving an additional 50% spin count. (i.e. 1.5 spins) that in turn would count towards a station's minimum weekly Canadian Content (Cancon) commitment.

23. The CAB's approach recognizes that, over and above the funding mechanisms they fund that directly support emerging artists, radio stations already have a number of initiatives in place that promote the discoverability of new Canadian artists, none of which they are required to do by regulation. The CAB's proposal seeks to incentivize stations to continue, even to expand, such initiatives by giving them credit towards another existing obligation designed to enhance the discoverability of Canadian music artists i.e. Cancon. Rogers fully supports the CAB's Emerging Artist Credit

proposal and believes it can be effective tool for encouraging broadcasters to promote emerging artists without imposing restrictive quotas.

24. For example, our Country and CHR stations recently launched a “One to Watch” program, which is designed to shine a spotlight on new and emerging Canadian artists/songs that we believe our audience will be excited about. Songs highlighted through this program are less than one year old, are Canadian, and have the potential to be a top-20 hit. Featured “One to Watch” artists receive station website and social media promotion, a minimum number of spins per week (between 20 and 30), and on-air promotion. Our CHR stations also feature selected artists on our national YouTube Hits show, which includes an interview with the artist along with song play.

25. Rogers’ “One to Watch” program has already successfully charted new and emerging artists. For example, new Canadian Country artist Mackenzie Porter was #1 on the Canadian Country Format, and after being selected as our “One to Watch” artist, she crossed over to also chart on the Canadian CHR Top 40 Format.

26. Allowing Rogers to receive additional CanCon credits for spins of selected emerging artists would certainly encourage the expansion of these important initiatives, and others like it (such as our “New Music Discovery” feature at SONiC Edmonton). It also recognizes that local radio stations have cultivated relationships with their listeners, the community and local artists, and are best positioned to identify which artists will do well in a particular station’s format and market and how many spins will best achieve exposure and resonate with audiences.

27. It is important to note that support for emerging artists also occurs via CCD contributions, both required and discretionary. In addition to the significant funding received and distributed by FACTOR – an organization dedicated to supporting and promoting the careers of emerging artists – local artists in Rogers’ radio markets receive targeted support via local initiatives supported by Rogers discretionary CCD

funding. This is a distinct form of support that recognizes the symbiotic relationship radio stations have with their local audiences and local artists, and it should not be overlooked in the Commission's evaluation of how Canadian broadcasters can and do support emerging artists.

28. Rogers has provided substantial support to emerging artists over the years through our discretionary CCD spending, most notably by distributing Emerging Artist Patron Grants of $25,000 each in 2020 to three Canadian artists who found their income drastically reduced due to the COVID-19 pandemic. On a local level, Rogers annually sponsors many concerts and festivals which support and promote local emerging artists such as Kitchener-Waterloo's Oktoberfest Concert, Kingston's Limestone City Blues Festival, Grande Prairie's Canada Day concert and the Tillsonburg Turtlefest.

29. Rogers strongly objects to any proposal to include station websites, apps, or social media platforms in Commission policies, unless and until foreign online platforms, including Facebook, Spotify, Apple Music, YouTube etc., are held to a similar requirement.

<u>Programming: Hits/Non-Hits Policy</u>

Q. 22 In your opinion, is the policy regarding the broadcast of hits still a relevant and efficient means of promoting linguistic duality in bilingual markets? If not, what policy changes or other regulatory means could the Commission apply?

30. The Commission's policy regarding the broadcast of hits[4] in the bilingual markets of Ottawa/Gatineau and Montréal is outdated and ineffective, and Rogers encourages the Commission to eliminate this policy immediately.

History of Hits/Non-Hits Policy

[4] Broadcasting Regulatory Policy CRTC 2009-61 – Policy Regarding the broadcast of hits by English-language FM stations [BRP 2009-61].

31. Since the introduction of this policy over four decades ago, the Commission has continued to shift the purpose and intention behind this regulation. The policy regarding the use of hits by English-language FM radio stations was first developed in 1975 to ensure that music programming on FM radio stations complemented rather than imitated that presented by AM stations, since, at that time, Top 40 and CHR stations were very popular on the AM band. As such, commercial FM stations were limited in the amount of “hit” material broadcast to 50% over a broadcast week.

32. In Public Notice CRTC 1997-5 the Commission issued a call for comments on the proposed *elimination* of the hits policy on English-language FM radio. In this Notice, the Commission noted that it was conducting this review because the radio industry environment had changed substantially, and FM listening had increased dramatically since the policy was first introduced. During the policy review, L'association canadienne de la radio et de la télévision de langue française (ACRTF), as well as three French-language FM radio licensees expressed a concern that eliminating the hits policy would lead to a decrease in listening to French-language stations and would place French-language FM stations at a severe disadvantage in the Montréal and Ottawa/Hull markets, where English- and French-language stations compete directly with each other.

33. In light of the ACRFT and other French-language FM broadcasters highlighting that the hits policy *may* be an effective means to protect French-language tuning in bilingual markets, the Commission ultimately opted to maintain the use of a stringent definition of a “hit” for English-language commercial FM stations serving the Montréal and Ottawa-Gatineau markets. The Commission also proposed a revised definition of a “hit” in order to protect AM stations offering this format from direct competition by English-language FM stations operating in English-language markets. The policy has therefore shifted from safeguarding AM stations, to protecting Oldies AM stations, to allegedly promoting linguistic duality in bilingual markets.

34. In BRP 2009-61, it was determined that the policy was no longer effective for safeguarding Oldies AM stations and, therefore, the Commission eliminated the policy on English-language stations in English-language markets. Unfortunately, the Commission chose to maintain the policy in the bilingual markets of Montréal and Ottawa/Gatineau because it believed there was a continued positive effect on linguistic duality in these markets. Finally, in CRTC 2015-318, when reviewing this policy again, the Commission, despite any compelling evidence to suggest the policy has any bearing on Francophone audiences, reiterated concerns with the migration of Francophone audiences towards Anglophone stations, and stated its intention to keep the policy in place until the French-language commercial radio sector proceeding where it would again be considered.[5] Unfortunately, this proceeding did not move forward and this anachronistic rule still applies in the Ottawa and Montreal markets.

Canadian Radio Competes in a Global Market

35. Policies restricting how many hits an English-language hit radio station operating in Montreal or Ottawa can play do not, respectfully, make sense in 2021 when global streaming services have no limits to their offerings. The policy literally hamstrings English-language stations in those markets from programming content they *know* younger listeners want to hear, and who will simply move to whatever platform or service provides the content they are looking for. The Commission's policy assumes that in this competitive environment, the primary issue in bilingual markets is competition between French- and English-language stations. Those days have long passed; indeed, it could be argued that French-language stations have an advantage over English-language stations in the competition for listeners with streaming services, as those services do not tend to target the French-Canadian music market and demographic of listeners.

[5] Broadcasting Notice of Consultation, Review of the regulatory framework for French-language vocal music applicable to the French-language commercial radio sector [CRTC 2015-318].

36. According to the CRTC's public opinion research published on February 23rd in advance of this proceeding, four in ten (39%) of Canadians listen to streaming music services on a weekly basis.[6] The *CRTC 2020 Communications Monitoring Report* states that Internet-based streaming audio services showed a revenue growth of 24.9% in 2018-2019, with a CAGR of 59.5% from 2015-2019.[7] Comparatively, by the end of the 2019 broadcast year, private radio revenues were over 9% or almost $160 million lower than they were in 2014, and lower than they had been since 2006.[8] By the time COVID-19 hit in March 2020, private radio had already experienced six-and-a-half successive years of systemic (not cyclical) revenue declines, with annualized revenues ending $270 million or 16.5% lower than they were in 2013. Moreover, despite an aggregate PBIT margin of 17% in 2019, over 40% of commercial radio stations entered the pandemic in unprofitable state.[9]

37. It is clear that both English- and French-language private commercial radio stations are no longer competing for audience share solely against other OTA broadcasters. Nor are they protected by the geography or linguistic makeup of Montreal or Ottawa/Gatineau. The hits/non-hits policy prevents English-language "hit music" stations in Ottawa from playing "hit" music when their listeners can easily tune to unregulated streaming services such as Apple Music, Spotify, YouTube, and many others to listen to hit music. The hits/non-hits policy does not reflect the competitive reality marked by unlimited choice in audio platforms that regulated radio stations now operate within.

Lack of Evidence Demonstrating Hits/Non-Hits Prevents Audience Migration

38. It is important to note that throughout the history of this policy, there is little evidence to support a demonstrated correlation between the restriction of hits on English-language stations in bilingual markets and the protection of French-language station tuning. The decision to keep this policy in bilingual markets appears to be based on

[6] Attitudes and opinions towards commercial radio in Canada, Final Report, online: < https://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/crtc/2021/090-19-e/POR090-19-Final_Report.pdf>.

[7] CRTC Communications Monitoring Report 2019, radio data, RD-T3.

[8] CAB Submission to CRTC 2020-374

[9] CAB Submission to CRTC 2020-374

the concerns of French broadcasters in 1997, before the presence of Internet streaming services in the market.

39. In CRTC 2015-318, the CRTC commented on the decline in French-language tuning in bilingual markets when referencing the Hit/Non-Hit Policy. The Commission stated, "In the past three years [2012-2015] national radio listenership in the markets measured by listening logs has decreased in all age groups, but especially among young listeners (ages 12-17 and 18-34). The same general downward trend can be seen in the French-language and bilingual radio markets analyzed by the Commission (Ottawa/Gatineau, Montréal, Québec, Saguenay and Trois-Rivières)."[10]

40. The data cited by the Commission in this current proceeding demonstrates that between 2017 and 2019, the audience that listens to French-language radio stations in Ottawa/Gatineau has declined by 7.5% between 2017 and 2019 while the audience to English language stations has declined by almost three times as much (18.4%).[11] The Commission specifically identified the 12 to 17 and 18 to 34 age groups as showing the largest decline in total tuning to French-language stations, dropping by 32% and 28%, respectively.

41. Given that the decline in tuning is primarily within younger demographics, it is more likely this demographic is migrating to unregulated streaming services. Especially, given that there has been a steady decline in English-language tuning over the past 5-6 years. The Commission in fact suggests something similar in its NoC, where it states, "… a portion of the Anglophone and Francophone audiences likely migrated to digital platforms. This may partially explain the overall audience decline in both markets between 2017 and 2019 for both English- and French-language stations."[12]

[10] CRTC 2015-318, at para 20.
[11] CRTC 2020-374 at para 60.
[12] CRTC 2020-374 at para 58.

42. Additionally, when one looks at the revenues of the stations in the French-language market compared to those of the English-language market in Ottawa, it is clear that English-language stations in this market are declining to a point of being unsustainable in the near future. The most recent TRAM report shows the following:

[redacted]

43. It is noteworthy that between 2018 and 2020, the revenues of the Ottawa English-language stations fell from almost [redacted] to less than [redacted] while those of the French language stations remained relatively static, declining from [redacted] to [redacted] despite declines in tuning. Even if one takes into account the COVID-19 year from February 2020 to February 2021, the English language market has been disproportionately disadvantaged. Its Relative Year to Date (RYTD) figure of [redacted] shows a year over year decline of more than [redacted] compared with [redacted] for the French language stations. It is also important to note English-language stations in this market which report a current RYTD figure of [redacted] were reporting revenue of [redacted] only three years ago, meaning the **English-language market in Ottawa is essentially half the size it was four years ago.**

44. The hits/non-hits rule has outlived any usefulness that it might have had which we respectfully submit was very little. As the Commission itself has pointed out, and as Numeris data supports, the audiences for French-language radio stations in Ottawa/Gatineau are migrating to non-Canadian online streaming services, not to English-language stations in the same markets. Rogers believes the Commission must modernize its current approach and eliminate outdated policies of this nature if it intends to help Canadian licensees remain competitive and continue to make positive contributions to the Canadian broadcasting system.

Local Programming

Q 30 Do the current regulations provide Canadians with access to varied local programming reflecting different viewpoints and relevant, high-quality programming in sufficient quantity? If not, what measures could be put in place to remedy the situation? Should these measures apply to all commercial radio stations?

45. As the CAB submission points out, radio stations across Canada provide a high level of local programming, which only increased during the COVID-19 pandemic despite falling revenues. In particular, radio stations increased their focus on news and information programming. This was also true for Rogers; our stations provided vital news and information to our listeners during the pandemic and indeed increased local coverage. For example, NEWS 1130 in Vancouver provided in-depth coverage of the pandemic as the crisis unfolded, including on-air and online coverage of briefings provided by medical health officials, which became a go-to source for Metro Vancouver for COVID-19 updates. In addition, NEWS 1130's Legislative Bureau provided listeners with insights into the decisions of politicians, inquiring and reporting back on the promises made and dollars spent as BC battles COVID-19.

46. The current requirement for stations to provide at minimum one-third local programming in order to be able to accept local advertising is an example of an effective incentive-based policy. The majority of Rogers' radio stations historically far exceed the one-third local programming requirements, as evidenced by the information we submit with our licence renewals. For example, of the 21 radio licence renewals we submitted in 2020, 19 broadcast more than 100 hours of local programming in a 126 hour broadcast week.

47. Within that local programming, spoken word programming is tailored to each individual market we serve, taking into account the station format, listening audience and competitors in the market. Station formats dictate the level of spoken word programming; sports and news formats, obviously, are entirely spoken word while music format stations vary in the level of spoken word programming they believe the audience wants to hear and is appropriate to the market. The provision of varied local

programming representing differing viewpoints is baked into the equation. Most listeners in local markets want some degree of local information regardless of format, be it weather, traffic, short or long news segments, sports coverage, etc. Rogers strongly submits that the current policy has proven to be successful and does not see any need to revise or amend the rules that are already in place with respect to local programming. In other words, there is no “remedy’ needed for the current policy and there is certainly no rationale for imposing additional measures or requirements on a policy that is already working well.

Q 33 According to the established definition, local news is part of local programming.

- **To what extent does the broadcasting of local news by commercial radio stations play a particular role for communities?**
- **Should specific regulations be established with respect to the number of minutes and hours of local news broadcast during a broadcast week in addition to the regulations on local programming?**
- **Should content created by online audio services be considered local content? If so, what would be the appropriate thresholds, should the Commission decide to expand the requirements for all platforms, including digital platforms? What measures should be implemented to ensure that listeners are served accurately by online platforms?**

48. Rogers aligns with the CAB submission. The provision of news programming is highly dependent on multiple factors, including station format, the competitive composition of the market, listener demographics and financial resources. As we outline above, each station in a market must program for the audience they are trying to capture. This will influence decisions on format, local programming, news levels and other programming elements. Despite all of that, most radio stations air some level of local news content. Accordingly, it is not necessary to impose news minute quotas as there is already a high level of local news provided by local radio stations in markets across Canada. Doing so would, in Rogers’ opinion, would be an outdated and heavy-handed, one-size-fits-all approach to regulation that ignores local market realities and the competitive position of Canadian radio in today’s current media environment. Imposing further obligations will only serve to further encumber

Canadian radio stations in their drive to maintain audiences and will create more administrative paperwork for both licensees and the Commission staff.

49. Rogers also strongly supports the CAB's position that any proposed regulations in respect of online content should be considered in the context of the upcoming proceedings that will implement the amendments to the *Broadcasting Act* and the requirements that will be imposed on foreign online streaming services operating in Canada.

<u>Funding – CCD, Tangible Benefits</u>

Q 35 Taking into account the projected CCD amounts set out above, will future CCD contributions be sufficient to ensure that commercial radio and CCD funding continue to fulfill the *Broadcasting Act*'s policy objectives? Should the formulas for calculating contributions be modified to maintain the current contribution level? Should the Commission use formulas that consider the number of stations operated by licensees? What changes should be made to the formulas?

50. Section 3 (f) of the *Broadcasting Act* declares that "each broadcasting undertaking shall make maximum use, and in no case less than predominant use, of Canadian creative and other resources in the creation and presentation of programming." CCD funding is only one component in fulfilling the Act's objectives in this regard. There are many other ways in which radio stations, including those operated by Rogers, use Canadian creative resources in the creation and presentation of programming, the most important of which is through the employment of Canadians who produce, broadcast and/or program all content on our radio stations.

51. Commercial radio stations in Canada contribute significantly to fulfilling the objectives of Section 3 (f) of the Act by means of in-house produced content. In addition, a stable source of funding for independent Canadian artists is an important component of ensuring Canadian creative resources are used in radio programming. Organizations such as FACTOR/Musicaction have been instrumental in gathering required contributions from Canadian broadcasters and distributing financial support to countless Canadian artists over the years.

52. Rogers notes that BNC 2020-374 points out that declining revenues across the Canadian broadcasting system will mean a concurrent decline in operating revenues for organizations such as FACTOR. The decline in broadcaster CCD contributions does not, however, justify altering the current funding formulas to try and extract more money out of struggling radio stations within the Canadian regulated system, particularly given that that system does not require similar contributions from OTT competitors such as Spotify and Apple Music. Industry-wide declines in revenue, which are primarily attributable to those OTT competitors, mean that all elements of the system that benefit from contributions will in turn realize a decline in revenue. Any proposal to change formulas in order to maintain current levels of funding, by extracting a greater proportion of contributions from regulated broadcasters to compensate for declining revenue, is inequitable and financially unsustainable and would completely ignore the economic realities of the sector.

53. Similarly, a proposal to increase CCD funding by basing contributions on the number of stations in an ownership group unfairly penalizes large ownership groups for industry-wide revenue declines and continues to ignore the lack of contributions made by OTT audio streaming services. It also doesn’t take into account that medium and large ownership groups already contribute disproportionately to the system by subsidizing unprofitable stations with revenue from profitable stations, which is evident in the annual returns submitted to the CRTC on a station-by-station basis. It is simply not the case that more stations mean more available revenue. Adopting such an approach would further destabilize a precarious financial situation wherein ownership groups are dissuaded from owning money-losing stations many of which are in small markets. Rogers fails to see the policy benefit of such a regime.

Q 36 Should the Commission change how it defines revenues to calculate basic CCD contributions? If so, how?

54. There is no basis for changing the current formula, which calculates basic CCD contributions only on revenue earned after the first $1.25M. This waiver is essential

for small radio stations with consistently negative PBITs. Additional revenue pressure on under-performing stations, particularly as all radio stations recover from economic effects of COVID-19, will only serve to further destabilize the industry and increase the likelihood of station closures.

Q 37 Should the Commission require a higher tangible benefit contribution than the current minimum of 6% of the value of a transaction to acquire the ownership or effective control of a commercial radio undertaking? If so, what would be the appropriate contribution percentage and what effect would such an increase have? Please explain your reasoning and provide supporting evidence.

55. The policy for tangible benefits was put into place at a time when the radio industry in Canada operated in a closed and protected market and was growing. Well-capitalized broadcasters were expanding into new markets or expanding their presence in existing markets, and the Commission designed policies, such as the tangible benefits policy, around this movement of growth and acquisition. That is no longer the reality of the Canadian radio market. Our industry is now in decline, due to competition from unregulated foreign streaming services that themselves have no such “tangible benefit” obligations. In light of these unequal obligations, Rogers proposes that the Commission should not be considering *increasing* the disparity but should, instead, eliminate tangible benefit requirements on all radio acquisitions.

56. Eliminating tangible benefits requirements on acquisitions would recognize that consolidation is one of the few levers left to Canadian broadcasters to combat foreign streaming competition and ensure continued survival. It would serve as an incentive for broadcasters to consider acquisitions despite discouraging market forces, and would also recognize the fact that Canadian group operators have been unable to consolidate in important markets in order to launch meaningful counter-offerings at the scale and expense needed to compete with the likes of Spotify and Apple Music. This elimination of tangible benefits combined with easing the COP, which greatly prohibits further transactions in Canada’s major radio markets, would position Canadian broadcasters to effectively compete in the current market. Rogers notes the success of RadioStarmaker Fund and its “artist centered” approach to supporting

Canadian music artists and believes the Commission should find other sources of support for this fund, aside from tangible benefits contributions, to ensure its ongoing operation. Such measures could include requiring contributions from foreign OTT services and/or making it an eligible recipient of basic CCD contributions.

57. Rogers also requests that the Commission ensure that there are no additional obligations imposed on broadcasters who wish to switch between AM and FM bands should the COP change. Broadcasters need the flexibility to switch to higher-power, more reliable and more profitable FM bands if we want to remain competitive, without being burdened by additional layers of financial obligations that, again, are not required of our main competitors.

Q 38 Should broadcasters be provided greater flexibility with respect to certain requirements (such as Canadian content broadcasting requirements) and place greater emphasis on CCD contributions or the promotion of Canadian content?

58. Broadcasters should be provided greater flexibility with respect to Canadian exhibition requirements, and Rogers supports the CAB emerging artist credit proposal, which is a more effective way to incent broadcasters to play emerging Canadian artists than imposing quotas. However, greater flexibility afforded on promoting Canadian content need not be offset by less flexibility in another area such as the promotion of Canadian content, including through CCD contributions.

59. Canadian broadcasters already make significant CCD contributions – contributions not required by foreign music streaming services – and we should not be required to increase those contributions in exchange for flexibility elsewhere. This is particularly the case when, even with that flexibility, we would still be required to contribute more than our foreign competitors, which currently have no CCD obligations.

Q 41 Please comment on the option of requiring every licensee to submit to the Commission an annual report on its discretionary CCD spending, similar to the obligation imposed on BCE Inc, in Broadcasting Decision 2013-310 or to the reporting requirements discussed in Broadcasting Decision 2019-431, for Sirius

XM Canada, which would include the following performance indicators and would be made publicly available:

- **the number of music and spoken word artists supported;**
- **the percentage of discretionary funds distributed by music genre or spoken word;**
- **the percentage of total discretionary funds allocated to performance fees paid to artists;**
- **the number of audience attendees at events;**
- **the number of shows or tours developed for music and spoken word artists;**
- **the number of new music and spoken word recordings supported;**
- **the percentage of discretionary funds spent on marketing or promotion expenditures;**
- **the number of English-language music and spoken word artists supported;**
- **the number of French-language music and spoken word artists supported; and**
- **the number of Indigenous music and spoken word artists supported**

60. Rogers strongly opposes any proposal to add additional and complex reporting requirements on CCD contributions. Current reporting methods are already highly detailed and require substantial effort on the part of broadcasters, and the organizations they work with, to provide the requisite paperwork demonstrating eligibility of funded initiatives. In our view, the Commission should seriously re-evaluate the level of reporting that is required when funding is directed to established and known organizations that clearly meet the CCD eligibility criteria.

61. As part of our annual return requirements, broadcasters already provide Commission staff with forms for each radio station detailing revenue and required CCD contributions (Form 1163), invoices and proof-of-payment for each initiative supported that broadcast year, letters of support from every organization that received funding detailing how the funding was used and attesting to the eligibility of the event, and, in the case of Rogers, a document prepared by the broadcaster further describing the eligibility of each event supported.

62. The letters of support, prepared by organizations with guidance from Rogers, provide most of the information the Commission lists above as “performance indicators.” In combination with the remaining information already provided as part of CCD reporting, Commission staff would easily be able to evaluate broadcasters on these “performance indicators” without requiring additional methods of reporting, which appear, on the face of it, to superfluously propose that broadcasters take existing reporting information and rearrange it into a new format.

63. As mentioned previously in this submission, the resources required to complete and submit the myriad of reports required by the Commission are substantial. This relatively low-value work further prohibits us from directing resources to our day to day business operations including news gathering, content creation and technological innovation, areas that not only better serve our customers, but bolster our ability to compete.

Q 42 To lighten the administrative burden and make it easier to manage contributions, should the Commission remove the option of allocating a portion of the contributions to discretionary initiatives? Should it be removed for only some components (basic contributions, over-and-above contributions, tangible benefits)? Please explain your reasoning and provide supporting evidence.

64. The discretionary portion accounts for less than half of total broadcaster CCD spending (and cannot exceed 40% as required by the *Radio Regulations*, Section 15(5)). Discretionary spending is an important tool for local radio stations to connect to their communities and support local artists within their communities, particularly with respect to the genres and programming focus of those stations. Many of Rogers’ radio stations have provided ongoing support of specific local events for years.

65. For example, the Nipissing Country Music Association’s Annual Northern Ontario Open Country Sing Contest in North Bay has been supported by our North Bay station CKAT (Country 600) since 2012. The Open Country Sing Contest draws a large contingent of local talent who compete for prize money and to be noticed by representatives from the country music industry who attend the event to scout

potential new stars. Previous contestant winners have been given recording studio time and some have been invited to perform in the United States.

66. Because it is a contest, the Northern Ontario Open Country Sing Contest is ineligible for FACTOR funding. The support CKAT provides through discretionary CCD spending thus represents a crucial form of support that would not necessarily be available otherwise, and the event is a prime example of how local partnerships between radio stations and community organizations thrive on mutually beneficial outcomes. Rogers also wishes to point out that in most cases the funding is relatively small for the large impact it generates. One reason is that these types of events are more accessible to burgeoning new talent than more sophisticated funding mechanisms like FACTOR which has an extensive application process that requires industry knowledge and investment.

67. Commission policy should encourage local stations to cultivate these kinds of local community relations, which promote local artists. Discretionary CCD funding is an important means by which we do so. It is an additional funding stream that benefits both local artists and local radio stations and removing it would be detrimental to the relationship radio is able to build with the communities they serve and the development of emerging local artists.

68. The Commission already requires substantial reporting on CCD discretionary initiatives; rather than imposing additional reporting requirements as contemplated in Question 41, which would **increase** the administrative burden, the Commission should seek to reduce and streamline current reporting requirements.

Q 43 Should the Commission require discretionary CCD contributions for individual stations to be spent in a specific region or geographic area?

69. Imposing geographical restrictions on how stations can distribute discretionary funds would splinter available funds and, depending on the revenue of the station, make it impossible to provide meaningful support in some regions. Rogers pools all its

discretionary funding and then chooses annual recipients in the various regions we serve who could best benefit from the funding. Pooling the funding allows us to make meaningful contributions in regions where underperforming stations may either have no CCD obligations or an insignificant amount of required spend (e.g. $1,000). Taking North Bay again as an example, we have provided $15,000 annually over the last three years to the Stories and Songs concert series, which has allowed the event to continue to be free to the public and expose emerging local artists. This annual support far exceeds the amount that would be available in North Bay based on the revenue currently being generated in that market.

70. Pooling our CCD funding also allows us to provide more significant support when needed. For example, when all live events across Canada were cancelled in 2020 due to the COVID-19 pandemic (including events Rogers was planning to support with CCD funding), Rogers was able to pivot our funding into direct financial support for emerging artists who found themselves suddenly without touring income. We provided $25,000 each to three emerging Canadian artists from equity-seeking communities to support their career development at an essential time of need. Geographical restrictions would have made this level of support impossible.

Q 44 Are the eligibility criteria for discretionary initiatives set out in paragraphs 106 to 112 of the Commercial Radio Policy 2006 still relevant? If not, what changes should be made?

71. The eligibility criteria set out in the Commercial Radio Policy 2006, particularly those listed at paragraph 108, are unnecessarily restrictive and have resulted in Rogers being unable to support worthwhile and credible initiatives that in principle fulfil the objectives of CCD funding, but do not fit the more narrow criteria as defined by the Commission. Furthermore, the additional guidance provided by the Commission in their *Canadian Content Development Contributions and Eligible Initiatives* guidelines are at times confusing – particularly the table of “Eligible” and “Not Eligible” examples – and subject to change without notice.

72. At a broad level, the list of parties and initiatives at paragraph 108 of the Commercial Radio Policy exclude several types of support that otherwise fulfil the mandate of CCD funding: “the development and promotion of Canadian talent through financial contributions by broadcasters to the development of audio content for broadcast” (paragraph 97). Specifically, the list excludes: providing grants directly to emerging artists to be used at their discretion, including to cover personal and living expenses; financial support for spoken word performances that are not recorded and subsequently broadcast; musical instruments for music therapy patients; financial support for concerts, festivals or conferences that is used by third party associations to cover anything other than artist performance fees, including general organizing costs.

73. It is Rogers’ position that all of the above examples both develop and promote Canadian talent, enabling that talent to thrive and ultimately be in a position to develop audio content for the Canadian audio broadcast ecosystem. The Commission should consider an approach to eligibility that provides clear guidelines as to what is not acceptable – along the lines of what is detailed in paragraphs A to C under “Guiding principles for Canadian content development initiatives – but avoids trying to come up with a list of examples.

74. Such lists are prone to becoming quickly outdated, and because they are never exhaustive broadcasters are left to question whether an initiative not contemplated by the list would be considered eligible. Considering the amount of detailed reporting on CCD-funded initiatives that broadcasters currently provide annually, Commission staff can review prior year’s funding against clear prohibitions and, provided the prohibitions have not been breached, the initiative can be cleared as eligible. While we appreciate the effort made to provide clarity to broadcasters on eligibility, the unfortunate reality is that the lists can be difficult to interpret and have a freezing effect on decisions to fund new and innovative projects.

75. It also became apparent during the COVID-19 pandemic that the list of eligible initiatives is heavily focussed on live events and performances. That focus on live

events made it nearly impossible for Canadian broadcasters to direct any planned CCD funding support in the 2019/2020 broadcast year. Despite having most of the events we were planning to support cancelled, Rogers was able to spend all of our CCD discretionary funding in 19/20 but only because we were able to direct a large portion – $75,000 – to three Canadian emerging artists in the form of one-time $25,000 Emerging Music Artist Patron grants. It was frustrating and disappointing to be forced to communicate to those artists that, due to CCD funding restrictions, those grants could "not be directed to support costs such as those related to housing, transportation, or food"[13] at a time when Canadian artists are struggling to pay the rent and put food on the table due to the COVID-19 pandemic.

Q 45 How can CCD contributions help launch and boost the careers of emerging artists?

76. Emerging Music Artist Patron grants are an excellent example of how CCD contributions can support the careers of emerging artists. As detailed above, Rogers was able to provide substantive support to three Canadian artists at a time when their careers were significantly impacted due to the disruption of live events as a result of the COVID-19 pandemic. The other forms of discretionary CCD funding Rogers has provided, as described herein, are alternate examples of how discretionary funding can be used in targeted, locally symbiotic ways to support emerging artists. Rogers encourages the Commission to continue to give radio stations the freedom to support emerging artists through discretionary CCD spending, without imposing further restrictions or additional onerous reporting requirements.

Common Ownership Policy (Q. 46-54)

Need for the Commission to adopt more flexible COP policy as per CAB proposal

77. Rogers supports the CAB's proposal for establishing new criteria for defining the size of a market in the context of the Common Ownership Policy (COP) in the future.

[13] *Canadian Content Development Contributions and Eligible Initiatives*, "Guiding principles for Canadian content development initiatives", paragraph A.

The CAB's proposal eliminates band restrictions and is comprised of three tranches:

Market with 8 or Fewer Stations

In markets with eight (8) or fewer commercial stations operating in a given language, a person may be permitted to own or control as many as four (4) stations operating in that language regardless of band.

Market with 9-16 Stations

In markets with between nine (9) and sixteen (16) commercial stations operating in a given language, a person may be permitted to own or control as many as six (6) stations operating in that language, regardless of band, provided that the person does not own or control more than 50 percent of all stations operating in that language.

Market with more than 16 stations

In markets with more than sixteen (16) commercial stations operating in a given language, a person may be permitted to own or control as many as eight (8) stations operating in that language regardless of band.

78. As we have stated previously, relaxing the COP is critical to maintaining the future health of our news and information programming currently offered on the AM band and is necessary to allow Canadian radio stations to more effectively compete at the scale required by foreign online streaming services.

Definition of a Market in the context of the COP

79. Rogers respectfully submits that the Commission must simplify its approach to defining a market. The current approach is overly complex and divorced from the practical operating reality of most stations. There has been far too much debate on market definition over the past decade with very little clarity resulting from Commission decisions.

80. In order to avoid future confusion and provide greater clarity should the COP policy be relaxed in the future the Commission should ensure that the Numeris definition of a market is used when evaluating stations in adjacent markets. When determining the number of stations held by an applicant in a proposed market, Commission policy is to evaluate whether the 15mV/m or 3mV/m contour of the station in question will overlap with one or more adjacent markets where the applicant operates incumbent radio stations. The Commission then conducts a population overlap assessment to determine whether the station in the adjacent market should be included in the assessment of the number of stations operated by that licensee in a particular language in that market.

81. This policy should be amended to remove the contour overlap/population assessment for determining how many stations a licensee owns in a market as evaluated by Numeris. Where the Numeris definition of a market is available, it should be the conclusive parameter for which stations are included in a market. The Commission already refers to the Numeris definition of a market when defining a market in the *Radio Regulations*.[14] According to Numeris' Geographical Reference Guide, Numeris covers 209 mutually exclusive areas across Canada, which cover 100 percent of the 10 provinces in Canada.[15] Generally, these areas correspond to Statistics Canada's definitions of counties, regional municipalities, census divisions, etc. These well-established parameters should be used to definite a market given they directly correlate to commercial revenue opportunity and, as such, the competitive composition of the market.

82. Exclusively using markets as defined by Numeris would create a more consistent and predictable process for licensees looking to enter a market or increase the number of stations in a market. The criteria for whether or not a station should be able to enter a market must be clear and objective and consistently applied. Rogers continues to

[14] The Radio Regulations define "market" as, "In the case of an AM station, the market is the AM daytime 15mV/m contour or the central area as defined by Numeris (previously know as the Bureau of Broadcast Measurement (BBM)), whichever is smaller. In the case of an FM station, the market is the 3mV/m contour or the central area as defined by BBM, whichever is smaller."

[15] Numeris Geographical Reference Guide 2018-2019

reiterate that Canadian radio stations are competing against global foreign streaming services which are not required to make business decisions against subjective regulatory criteria.[16] Foreign internet streaming services are competing with radio stations for audiences and revenue in an audio space that is not defined by geographic territories.

83. While Rogers understands the Commission requires there be a "market definition" to implement the COP we believe it must be clear, simple and consistently applied in order to be effective. Where there is no Numeris market definition, as may be the case in some very small markets, the market definition should be based on Statistics Canada market definitions in these instances.

Elimination of subsection 14 Simulcasting Regulation

84. We further submit that the policy rationale underlying subsection 14 of the *Radio Regulations, 1986*, which prohibits the simulcast of an AM station on a sister FM station in the same market, is no longer relevant and should be eliminated. This regulation was adopted at a time when AM was the dominant band and was introduced with a view to ensuring that new and innovative programming was developed for the FM band. Today, FM is by far the dominant band and no longer needs this protection. Rogers further notes that there is no regulatory provision that prohibits the simulcast of one FM station on another, therefore it illogical and asymmetrical for there to be a prohibition on AM-FM simulcast. AM stations are also able to maintain a larger rural reach (as the lower frequency of AM allows it to propagate further and with less interference). Maintaining a station on AM through a simulcast, ensures that audiences are not eliminated in rural regions and avoid listener confusion and disruption.

[16] For example, the current COP assessment requires an evaluation by the Commission when populations of overlapping contours between adjacent markets constitute 5-15% of market, including a consideration of whether the station broadcasts news and public affairs coverage of particular interest to listeners in the market.

Converting AM stations to the FM band

85. As outlined in the CAB's submission AM stations continue to suffer from competitive barriers associated with their technical reception quality. As such, the important news and information programming these stations currently provide is at risk unless radio operators can find larger audiences through FM and digital transmission. To this end, Rogers supports the CAB's proposal to eliminate band restrictions in the Common Ownership Policy which will be vitally important in supporting AM stations' transition to FM. In fact, given the important role of AM's news and information programming to local audiences and editorial diversity, Rogers submits that the Commission should remove all administrative hurdles for broadcasters choosing to convert AM stations to the FM band. This includes eliminating the requirement for FM stations to seek CRTC approval to operate a spoken word specialty licence and eliminating the simulcast restrictions in subsection 14 of the *Radio Regulations* as outlined earlier in our submission.

86. As the Commission is aware, AM stations face particular financial challenges, which are characterized by marked drops in tuning, number of stations, revenues, profitability, and increasing programming costs. As was published in the *CRTC 2020 Communications Monitoring Report*, AM radio stations showed a decline of 6.4% between 2018-2019. And in 2019, AM stations had PBIT levels 3.4% compared to 17.3% for the industry as a whole. Moreover, AM stations experienced a -3.1% CAGR decrease from 2015 to 2019, compared to -2.4% CAGR for the industry as a whole.[1]

87. In light of the well-documented economic and audience downturn AM stations are experiencing, which will continue to erode their ability to provide the essential news and information programming unique to most local AM stations, AM to FM conversions are of express urgency. Eliminating the barriers to do so – by easing COP restrictions and abolishing simulcasting rules and the unnecessary step of Commission approval to operate specialty licences – would give operators of FM and AM stations ~~bands~~ the

[1] CRTC Financial Summaries

runway to transition AM listeners to FM bands before they abandon the platform altogether in their mass exodus to digital streaming. It would also be an essential component of the collective goal of ensuring local Canadian news and information content survives its near total loss of advertising revenue.

88. AM stations provide trusted and reliable news and information programming that is vital to a healthy Canadian democracy. We urge the Commission to put a policy focus on ensuring Canadian AM broadcasters have a regulatory environment that allows them to build their brands and grow their audience-base across all available platforms as they strive to differentiate themselves in an incredibly crowded media space with near infinite choice to consumers.

Conclusion

89. The majority of Commission policies are solidly grounded in the objectives of the Broadcasting Act, which seek to ensure Canadians have access to a broadcasting system that is Canadian-owned, serves the public good, reflects the wide diversity of Canadians and generally enriches and strengthens Canadian culture and society. However, it is also the case that many Commission policies are outdated and as such no longer serve the objectives of the Act. These outdated policies, along with the significant administrative burden they represent for broadcasters, do not position Canadian radio broadcasters for success when we must spend countless hours filling out reports or submitting laborious applications for what should be simple and straightforward changes to our businesses (e.g. switching station formats).

90. Furthermore, as the regulations and associated reporting and application process demands continue to stack up, Commission staff is falling behind on processing applications and issuing decisions. Simple technical amendment applications submitted by Rogers which took approximately one month to process in 2016[17] and

[17] *Application 2016-1088-2 – Deletion of transmitter - Approved*, Commission Letter November 1, 2016

2018[18] now take five[19] to six[20] months unless we request an expedited proceeding[21] due to unmovable deadlines (such as site evictions). More complex applications, such as our application to delete the rebroadcasting transmitter for CKKS-FM Chilliwack and turn it into a standalone station in Vancouver, take much longer; we submitted that application August 31, 2018, and are still waiting on the decision to renew CKKS-FM's licence with COL amendments nearly three years later. Our application to increase the signal strength for CKIS-FM in Toronto, which was a technical amendment application, took 11 months for Commission staff to make a determination.[22]

91. We urge the Commission to look at all radio regulations through a lens of administrative simplicity; simply because something has been regulated in the past does not mean it should continue to be regulated. Outdated policies should be shed and new regulations should only be considered when absolutely necessary. To regulate otherwise will further hinder the Canadian radio broadcasting industry at a critical time in its evolution.

92. For all of the reasons outlined above, in addition to those outlined in the submission of the CAB, Rogers urges the Commission to take immediate steps to amend the regulatory framework before the situation becomes more dire. If these proposals are adopted, it will enable private commercial radio to continue providing valuable high-quality programming to its listeners and position the radio industry for success going forward.

93. Rogers appreciates the opportunity to provide its comments in this proceeding.

*** End of Document ***

[18] *Deletion of transmitter CFSR-FM Hope, British Columbia (Application 2018-0891-6)*, Commission Letter October 29, 2018
[19] Broadcasting Decision CRTC 2020-236, *CKEM-DT Edmonton and its transmitter CKEM-TV-1 Red Deer – Technical changes*
[20] Broadcasting Decision CRTC 2020-316, *CFUN-FM Sechelt – Technical changes*
[21] Broadcasting Decision CRTC 2020-361, *CFGP-FM Grande Prairie and its transmitter CFGP-FM-1 Peace River – Technical changes*

[22] Broadcasting Decision CRTC 2020-153, *CKIS-FM Toronto – Technical changes*