

Title:

Canadian Satellite Radio

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Summary:

While the United States initiated the satellite radio evolution, Canada is now hot on their trails. The Canadian Radio-television and Telecommunications Commission (CRTC) began hearings in 2004 for applicants ready to develop Canada's first satellite radio broadcasting. The Canadian satellite radio industry received quite a lot of interest and in the end three main applications were filed: XM filed one in partnership with Canadian Satellite Radio and Sirius filed an applicati...

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Article Body:

While the United States initiated the satellite radio evolution, Canada is now hot on their trails. The Canadian Radio-television and Telecommunications Commission (CRTC) began hearings in 2004 for applicants ready to develop Canada's first satellite radio broadcasting. The Canadian satellite radio industry received quite a lot of interest and in the end three main applications were filed: XM filed one in partnership with Canadian Satellite Radio and Sirius filed an application with Standard Broadcasting and the CBC. The third application belongs to CHUM Limited and Astral Media and to many came as a surprise. That was mostly because CHUM Limited and Astral Media came up with a different solution that that proposed by Sirius and XM Radio. CHUM applied for a subscription radio service that is to be delivered through the already existing terrestrial DAB transmitters. In other words, the transmitters would be the ones receiving the satellite transmission, from where they would continue the broadcast to consumer owned receivers. While the CHUM Limited and Astral Media proposal offers an entirely Canadian approach, the first two bring in a blend of US based technology and Canadian broadcasting channels. XM Radio and Sirius had a slight advantage in the fact that the coverage area of their satellites already existed in parts of Canada, so a small audience was already using their services.

Three satellite radio services for Canada

The Canadian Radio-television and Telecommunications Commission (CRTC) approved

all three applications in June 2005, but with a series of conditions imposed to the three solicitants. Here they are as required by the CRTC:

- A minimum of 8 channels must be produced in Canada and for each Canadian channel 9 foreign channels can be broadcast.
- At least 85% of the content on the Canadian-produced channels (whether musical or spoken word) must be Canadian.
- At least 25% of the Canadian channels must be French-language stations.
- At least 25% of the music aired on the Canadian channels must be new Canadian music.
- At least 25% of the music played on the Canadian channels must be from up-and-coming Canadian artists.

The three companies had to accept these conditions as they are part of the Canadian broadcasting regulations. The US companies and their Canadian partners began negotiations for tilting the rules in their favor. One of the main offers of both the Sirius and XM Radio partnerships was that they would play 50% French content as opposed to the 25% required by the CRTC. AS a results of the negotiations, XM Radio received 5 channels of National Hockey League Play-by-Play in addition to the channels they already had - XMs part of the deal was to cover the Canadian National Hockey League games. The fact that the US satellite industry giants were both allowed to broadcast on Canadian territory determined CHUM to appeal the decision at <http://www.review9.info>. They motivated their action by saying that the two US companies would simply "suffocate" CHUM with their presence in Canada, not allowing any room for development for the all-Canadian company. CHUM also complained about the deals that were cut with the two US companies. As a response, Canadian Satellite Radio and Sirius Canada said that CHUM is in fact trying to obtain monopoly over the Canadian satellite radio market for themselves.

Today's Canadian satellite radio

One of the main complaints of the people of Canada was that the CRTC decision did not require sufficient Canadian content. This made the broadcasters come out with promises of additional French and Canadian content. The Canadian Federal Cabinet accepted the CRTC decision on September 10, 2005. XM satellite radio was launched on the 29th of November 2005 and Sirius was next on December 1. Monthly subscription rates are \$12.99 for XM with a one time activation fee of \$19.99 and \$14.99 for Sirius, without any activation fees. Both companies are expecting

rapid increases in the numbers o subscribers, although, in spite of the extra Canadian content they added to their air time, there are still quite a few voices protesting against the potential monopoly the two companies may get to in the near future.