

Part I. Introduction

1. Bohn and Associates Media (Bohn) has been retained by the Canadian Association of Broadcasters / Association Canadienne des Radiodiffuseurs (CAB/ACR) to provide analyses regarding the BDS Radio Canada Library Report (BDS) commissioned by the CAB/ ACR dated February 22, 2006.
2. This report describes the role Canadian content plays in the programming of library formats.
3. Far more music is available from foreign sources than from Canada. As a result, Canadian content is repeated more often than non-Canadian.
4. The amount of Canadian music being released has increased dramatically with each decade since the 1970s and early '80s. As a result, post 1985 Canadian content is often needed to help library stations meet compliance. The majority of this music has been recorded by artists who are not part of the older formats' core familiarity. This blunts their uniqueness and works against the diversity of services available to the public.
5. Classic Rock stations are at a competitive disadvantage because they are not able to focus as heavily on their core music as stations grounded in more recent eras.
6. Current regulations make Classic Rock stations less competitive with services like Sirius, XM, U.S. border stations and the Internet. Unfettered by content regulations, these outlets can execute formats in their purest forms.

Part II. Canadian Content Usage

Library Formats

7. Library formats feature older music released before 1985. There is little need for later material; particularly recent or current songs. Examples include the Oldies and Classic Rock formats. BDS monitored four Canadian Classic Rock stations which were CILQ-FM Toronto, CHOM-FM Montreal, CFMI-FM Vancouver and CHEZ-FM Ottawa.

Classic Rock

8. Classic Rock stations focus on the 1970s which accounts for 44% of the spins. Secondary emphasis comes from the 1980 –1984 segment and the '60s segment; each at 16% of the spins. In the BDS report, 78% of the songs and 76% of all spins were from pre-1985 material, making Classic Rock a library format.

Pre-85

9. Of the 78% of songs comprising the pre-1985 music played by Classic Rock stations, Canadian titles account for 16% of the songs and generate 22% of the spins. Canadian songs are repeated 54% more often with an average of 4.0 plays per week compared to 2.6 plays for foreign titles.

Post-85

10. Of the remaining 22% post-1985 music played by Classic Rock stations, Canadian titles account for 11% of the songs and generates 14% of the spins. Post 1985 Canadian songs are repeated 3.7 times a week; 33% more often than foreign songs from the same era playing at 2.8 times weekly.

Era Segments

11. If CRTC requirements for Canadian content were to increase, Classic Rock and other library formats would be forced to play even more recent, out-of-era music in order to comply. Presently, Canadian content makes up 29% of pre-1985 plays and 58% of post-1985 spins. More Canadian content will require even more music by artists unfamiliar to the Classic Rock core listener.

Repeat Factor

12. Repeat factors indicate the amount of play a song receives. Too much repetition causes burnout and overrides the benefits of familiarity. Canadian titles in this study repeat at an average of 3.9 plays per week, 45% more often than non-Canadian songs playing 2.7 times per week. The Canadian content regulation places significant stress on the Canadian Classic Rock library.

Decade Segments

13. The percentage of Canadian songs and spins increases in relationship to the total songs played within each decade. In the 1970s, Canadians account for 30% of the spins. In the '90s they make up 70%.

Part III. Canadian Content Chart Performance

13. Hits drive familiarity, brand identity and tuning. To provide insight into the performance of the Canadian songs, Bohn compared the data with chart information contained in its proprietary database. Of the Canadian songs making up the pre-1985 era, 45% are hits. Of the Canadian songs in the post-1985 era, 36% are hits. Non-hit Canadian music impacts familiarity and Classic Rock branding. The majority of Canadian selections in the post-1985 material are not hits and they water down the Classic Rock product.

Part IV. Canadian Format Integrity

14. To provide a benchmark for library formats in Canada, the BDS Study compared data from the U.S. The Classic Rock FM stations considered here included WAXQ New York, KLOS Los Angeles, WLUP Chicago and WCSX Detroit. The data shows U.S. stations provide a better focused and more clearly defined listening experience for Classic Rock fans.

U.S. Classic Rock

15. In the U.S., 53% of the spins on Classic Rock stations are from the 1970s. In Canada, it's 44% of spins. The U.S. stations, thus, have 20% more focus on the 1970s which is the core decade for this audience.

Post-85 vs. Core

16. Post 1985 music is shared with more contemporary formats like Contemporary Album Radio, Hot AC, Modern Rock and Contemporary Hit Radio. The newer the title, the higher the degree of duplication with other formats and the greater the tendency for that selection to be Canadian. Of the '90s music played by Classic Rock stations, for example, 71% is Canadian.

17. Classic Rock stations in Canada are boxed in and must play current and recent releases to meet regulations. In the BDS study, 6% of Classic Rock play comes from the current decade. This is a sizeable amount for a library format based in the '70s. Current Canadian artists like Matt Mays, Arcade Fire, Sam Roberts, The Sleddogs, Stabla and Neverending White Lights are closely associated with Modern Rock. When they are also played by Classic Rock stations, the diversity of services available is negatively impacted.

Part V. Format Competitiveness

19. Canadian content gets 4.1% of the airplay at U.S. Classic Rock stations. Eighty eight percent of those titles are from the pre-1985 era. There is a relatively short list of 17 Canadian Classic Rock icons like Rush, Bachman-Turner Overdrive, Guess Who, The Band, Steppenwolf and Neil Young who are played by American FM, Satellite and Internet radio. Outside of Canada, the format offers only the cream of the crop, regardless of origin. Inside Canada, Classic Rock stations are unable to differentiate themselves so clearly. Because of Canadian content regulations, it is necessary to dip more heavily into the more current eras. This results in less station definition and more format confusion.

Part VI. Summary

20. Current regulations skew the era structure of library formats by creating a reliance on out-of-format music. This, in turn, creates duplication and limits diversity. Library formats have a finite universe from which to draw and the Canadian portion has been mined deeply. No new product is being created for these stations. Without new material, requiring a minimum 35% Canadian content it is a difficult and somewhat anti-competitive hurdle.

21. Library formats attract listeners because they bring back memories of another place in time. This is accomplished by showcasing the songs, most evocative of that era. When the station is forced to play music from other times, the format suffers. Lowering the level of Canadian content will permit Library formats to better target core eras and end reliance on programming newer and out-of-format material.

22. Radio can only deliver a clear choice for consumers when each station has the tools it needs to fully individuate and totally project its own uniqueness. Reducing the level of Canadian content for library formats will achieve this goal and allow these stations to more effectively compete with emerging technologies and add diversity to the system.

APPENDIX A

ERA ANALYSIS OF CANADIAN CLASSIC ROCK STATIONS						
CATEGORY	TOTAL	CDN SPINS	CDN SONGS	FOREIGN SPINS	FOREIGN SONGS	% TOTAL
PRE-85	4518 Spins	1004	-	-	-	22.2%
	1531 Songs	-	250	-	-	16.3%
	4518 Spins	-	-	2424	-	53.7%
	1531 Songs	-	-	-	947	61.9%
POST-85	4518 Spins	640	-	-	-	14.2%
	1531 Songs	-	173	-	-	11.3%
	4518 Spins	-	-	450	-	10.0%
	1531 Songs	-	-	-	161	10.5%
source: BDS Radio Canada CAB/ACR Study						

APPENDIX B

ERA ANALYSIS OF CANADIAN CLASSIC ROCK STATIONS (read horizontally)								
DECADE	50s	60s	70s	80 - 84	85 - 89	90s	2000+	TOTAL
TOTAL SPINS	2	710	1999	717	438	389	263	4518
% SPINS	0.1%	15.7%	44.2%	15.9%	9.7%	8.6%	5.8%	100%
CANADIAN SPINS	0	103	597	304	217	275	148	1644
% CANADIAN SPINS	0.0%	6.3%	36.3%	18.5%	13.1%	16.7%	9.0%	100%
FOREIGN SPINS	2	607	1402	413	221	114	115	2874
% FOREIGN SPINS	.07%	21.1%	48.7%	14.3%	7.7%	4.0%	4.0%	100%
TOTAL SONGS	2	269	658	202	139	119	76	1465
% SONGS	0.1%	18.4%	44.9%	13.8%	9.5%	8.1%	5.2%	100%
CANADIAN SONGS	0	24	153	73	59	77	37	423
% CANADIAN	0.0%	5.7%	36.2%	17.3%	13.9%	18.2%	8.7%	100%
FOREIGN SONGS	2	245	505	129	80	42	39	1042
% FOREIGN SONGS	0.2%	23.5%	48.5%	12.3%	7.7%	4.0%	3.8%	100%

source: BDS Radio Canada CAB/ACR Study

APPENDIX C

ERA ANALYSIS OF CANADIAN CLASSIC ROCK STATIONS (read vertically)							
DECADE	50s	60s	70s	80 - 84	85 - 89	90s	2000+
TOTAL SPINS	2	710	1999	717	438	389	263
% SPINS / ERA	100%	100%	100%	100%	100%	100%	100%
CANADIAN SPINS	0	103	597	304	217	275	148
% CANADIAN SPINS / ERA	0.0%	14.5%	29.9%	42.4%	49.5%	70.7%	56.3%
FOREIGN SPINS	2	607	1402	413	221	114	115
% FOREIGN SPINS / ERA	100.0%	85.5%	70.1%	57.6%	50.5%	29.3%	43.7%
TOTAL SONGS	2	269	658	202	139	119	76
% SONGS / ERA	100%	100%	100%	100%	100%	100%	100%
CANADIAN SONGS	0	24	153	73	59	77	37
% CANADIAN / ERA	0.0%	8.9%	23.3%	36.1%	42.4%	64.7%	48.7%
FOREIGN SONGS	2	245	505	129	80	42	39
% FOREIGN SONGS/ERA	100%	90.1%	76.7%	63.9%	57.6%	35.2%	51.3%
REPEAT CANADIAN SONGS	0.0	4.3	3.9	4.2	3.7	3.6	4.0
REPEAT FOREIGN SONGS	1.0	2.5	2.8	3.2	2.8	2.7	2.9

source: BDS Radio Canada CAB/ACR Study

APPENDIX D

CANADIAN HITS / NON-HITS						
CATEGORY	TOTAL	HIT SPINS	HIT SONGS	NON-HIT SPINS	NON-HIT SONGS	% TOTAL
PRE-85	1004 Spins	576	-	-	-	57.4%
	250 Songs	-	113	-	-	45.2%
	1004 Spins	-	-	428	-	42.6%
	250 Songs	-	-	-	137	54.8%
POST-85	640 Spins	219	-	-	-	34.2%
	175 Songs	-	63	-	-	36.0%
	640 Spins	-	-	421	-	65.8%
	175 Songs	-	-	-	112	64.0%
source: BDS Radio Canada CAB/ACR Study						

APPENDIX E

ERA ANALYSIS OF US CLASSIC ROCK STATIONS						
CATEGORY	TOTAL	CDN SPINS	CDN SONGS	FOREIGN SPINS	FOREIGN SONGS	% TOTAL
PRE-85	4443 Spins	159	-	-	-	3.6%
	1396 Songs	-	56	-	-	4.0%
	4443 Spins	-	-	3428	-	77.2%
	1396 Songs	-	-	-	978	70.1%
POST-85	4443 Spins	21	-	-	-	0.5%
	1396 Songs	-	10	-	-	0.7%
	4443 Spins	-	-	835	-	18.8%
	1396 Songs	-	-	-	352	25.2%
source: BDS Radio Canada CAB/ACR Study						

APPENDIX F

ERA ANALYSIS OF CANADIAN CLASSIC ROCK STATIONS (read horizontally)								
DECADE	50s	60s	70s	80 - 84	85 - 89	90s	2000+	TOTAL
SPINS TOTAL	1	585	2353	648	293	354	209	4443
% SPINS	0.0%	13.2%	53.0%	14.6%	6.6%	8.0%	4.7%	100%
CANADIAN SPINS	0	12	94	53	1	3	17	180
% CANADIAN SPINS	0.0%	6.7%	52.2%	29.4%	0.6%	1.7%	9.4%	100%
FOREIGN SPINS	1	573	2259	595	292	351	192	4263
% FOREIGN SPINS	0.0%	13.4%	52.9%	14.0%	6.8%	8.2%	4.5%	100%
SONGS TOTAL	1	201	619	213	140	132	90	1396
% SONGS / ERA	0%	14.3%	44.3%	15.3%	10.0%	9.5%	6.5%	100%
CANADIAN SONGS	0	4	33	19	1	3	6	66
% CANADIAN / ERA	0.0%	6.0%	50.0%	28.8%	1.5%	4.5%	9.1%	100%
FOREIGN SONGS	1	197	586	194	139	129	84	1330
% FOREIGN SONGS/ERA	0.1%	14.8%	44.1%	14.6%	10.5%	9.7%	6.3%	100%

source: BDS Radio Canada CAB/ACR Study

APPENDIX G

ERA ANALYSIS OF U.S. CLASSIC ROCK STATIONS (read vertically)							
DECADE	50s	60s	70s	80 - 84	85 - 89	90s	2000+
SPINS TOTAL	1	585	2353	648	293	354	209
% SPINS / ERA	100%	100%	100%	100%	100%	100%	100%
CANADIAN SPINS	0	12	94	53	1	3	17
% CANADIAN SPINS / ERA	0.0%	2.1%	4.0%	8.2%	0.3%	0.8%	8.1%
FOREIGN SPINS	1	573	2259	595	292	351	192
% FOREIGN SPINS/ ERA	100.0%	97.9%	96.0%	91.8%	99.7%	99.2%	91.9%
SONGS TOTAL	1	201	619	213	140	132	90
% SONGS / ERA	100%	100%	100%	100%	100%	100%	100%
CANADIAN SONGS	0	4	33	19	1	3	6
% CANADIAN / ERA	0.0%	2.0%	5.3%	8.9%	0.7%	2.3%	6.7%
FOREIGN SONGS	1	197	586	194	139	129	84
% FOREIGN SONGS/ERA	100%	98.0%	94.7%	91.1%	99.2%	97.8%	93.3%
REPEAT CANADIAN SONGS	0.0	3.0	2.8	2.8	1.0	1.0	2.8
REPEAT FOREIGN SONGS	1.0	2.9	3.9	3.1	2.1	2.7	2.3

source: BDS Radio Canada CAB/ACR Study