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PRESS RELEASE
For immediate release

During the CRTC hearings

COGECO RADIO-TELEVISION APPLIES FOR A LICENCE FOR A NEW FM RADIO STATION IN QUEBEC CITY

Quebec City, February 18, 2002 – During the public hearings currently being held by the Canadian Radio-television and Telecommunications Commission (CRTC) in Quebec City, Cogeco Radio-Television Inc. (CRTI) representatives presented their application for a licence to operate a French-language FM radio station in Quebec City.

The station, as proposed by CRTI, will offer listeners popular adult contemporary music mainly consisting of hits from the 70s up until today.

Rythme FM : a Quebec-wide network

“It is worthwhile mentioning, said CRTI President, Mr. Michel Carter, that the existing Rythme FM station in Montreal and the proposed station in Quebec City will form the nucleus of a future Quebec-wide network. Indeed, applications have been filed with the CRTC in December 2001 for licences to operate Rythme FM stations in Sherbrooke, Trois-Rivières and Chicoutimi/Jonquière.”

An important local profile

“The proposed Rythme FM station in Quebec City, added Mr. Carter, will definitely have a local profile and colour. Weekdays and weekends, for prime time morning and afternoon hours, the station will produce its own content hosted by local Quebec City radio personalities. This local content will account for about two thirds of the broadcast week. Radio hosts, journalists and columnists will intervene regularly on air and newscasts will be 70% local and regional. Current affairs will be dealt with by many journalists with the stated objective of making of the station a cultural reference in Quebec City.

Canadian content

Rythme FM will devote 45% of its musical selections throughout the broadcast week to Canadian selections, a percentage which exceeds by 10% the quota prescribed under radio regulations. Also, of Rythme FM's musical programming, 65% will be dedicated to French-language selections throughout the broadcast week.

A new sound and a musical alternative in the adult contemporary music format

Along with its application, CRTI submitted a market study produced by Médiavision which, based on the similar audiences found in Quebec City and Montreal, clearly demonstrates that there is a demand in Quebec City for a new adult contemporary music station of the format proposed by Rythme FM, a format which has steadily gained in popularity in Montreal over the last three years. "We intend to offer the Quebec City female audience a new sound and a musical alternative in the adult contemporary music format," said Mr. Carter.

CRTI is of the opinion that Rythme FM's arrival in Quebec City will not have a negative impact on the state of competition within that market. To the contrary, the arrival of Rythme FM will actually increase competition within the market, provide even more choices to Quebec City citizens and enhance the diversity of opinions expressed on air in that city. Indeed, whereas Montreal listeners can choose among three contemporary adult stations, Quebec City listeners can now access but one such station in their city.

Contribution to Canadian talent development

Also noteworthy is CRTI's intended contribution to Canadian talent development, which will exceed one million dollars over the next seven years. In particular, CRTI has undertaken to pay \$350,000 over seven years to MUSICACTION, an organization dedicated to the promotion of French-language vocal music and which supports Canadian producers and artists. CRTI will also be contributing \$350,000 over the same period to Fonds RadioStar, a new fund complementing the activities of MUSICACTION and intended to assist in the financing, promotion and commercialization of albums by up-and-coming Canadian artists.

A sponsorship of \$315,000 is also earmarked for the launching of the *Relève d'artistes en chanson* project of the Quebec City Summer Festival whose mission it is to promote emerging French-language songsters. For aspiring radio entertainers, \$35,000 has been set aside for bursaries and traineeship opportunities for the most deserving graduating students of Collège Radio Télévision de Québec (CRTQ) and Collège Annonceurs Radio Télévision (CART), both located in Quebec City.

The various initiatives put forth by Cogeco to promote Canadian talent amount to \$1,050,000.00 over seven years.

Cogeco Radio-Television Inc. (CRTI) is a wholly-owned subsidiary of COGECO Inc. which already operates two radio stations, 105.7 Ryhme FM in Montreal and FM 93 in Quebec City. In partnership with Bell Globemedia, COGECO also operates the TQS network and stations in Montreal, Quebec City, Sherbrooke, Trois-Rivières, Chicoutimi/Jonquière and Rimouski, as well as SRC affiliated stations in Sherbrooke, Trois-Rivières and Chicoutimi/Jonquière.

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