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**CANADIAN BROADCAST STANDARDS COUNCIL**

**ONTARIO REGIONAL PANEL**

**CHWO-AM re *Sunday Showcase with Murray Segal***

(CBSC Decision 06/07-0999)

Decided April 14, 2008

R. Stanbury (Chair), M. Ziniak (Vice-Chair), R. Cohen (*ad hoc*), K. King,

H. Pawley (*ad hoc*) and P. Wedge (*ad hoc*)

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**THE FACTS**

*Sunday Showcase with Murray Segal* aired on CHWO-AM (AM 740, Oakville, Ontario) from 10:00 am to noon. The program consisted of various music and talk segments, including discussions with guests. One recurring guest was the owner of a local home renovation company, who appeared on the program to discuss various matters relating to home renovation, improvement and repair. That individual, Paul Napolitano, appeared on the April 1, 2007 episode of the program to talk with host Murray Segal (a full transcript of the segment can be found in Appendix A).

The episode began with the following exchange between Segal and Napolitano:

Segal: [...] Mister Paul Napolitano of Royal Home Improvements is in the house.  
[Napolitano laughs] How're you doin', Paul?

Napolitano: I'm doing great, Murray. Thanks for having me.

Segal: It's good to see you. Now, of course, our conversation began this morning very quickly with a hockey game that, uh, you apparently attended last night.

Napolitano: Wow, what a, what a hockey game and what a situation down at the AC last night. I was, I was invited down through, uh, friends and, uh, sitting in the

upper bowl. And, uh, just before the, uh, the overtime I, I believe some gentleman, some gentleman had a heart attack.

Napolitano went on to tell the story of how a man had a heart attack at the hockey game he attended and the woman who saved the man turned out to be a friend of Napolitano. After a few moments, the conversation shifted to the topic of home renovations.

Segal: [...] Well Paul, we are here to discuss, uh, spring has sprung and people, uh, you know, they get that urge to maybe say, ah, what should we do with this room? Or the patio? We're going to spend it at, uh, this summer we'll be out there. What should we do that, you know, it's getting a little, uh, rough or maybe we want to expand this or that. It could be the basement. There's so many parts of the home that we, uh, sometimes decide it needs a little work.

Napolitano: Well, when you want to reinvent your home, whether it's going to be an addition or remodelling, there's, there's some stages that you have to go through. Probably the first of all, if you want to build an addition, uh, you call a, call prospective contractors up and have 'em come out and take a look at things. It's good to have a wish list of what you're going to use the addition for. For example, is it going to be a family room or a den? Uh, is it actually going to be an addition to the kitchen? Then you, you'll go through a planning stage of what needs to be done. You have to make sure you take care of all the paperwork, get your permits in order. Uh, if you are gonna, uh, go through with the process and, and start calling, uh, contractors out, it's important that you have a copy of a survey available 'cause eventually they're gonna need that survey. And through that survey with the different municipalities or townships it'll tell you whether you, uh, can build the addition, uh, without any, uh, road blocks. And sometimes you have to go through a variance, through a committee of adjustment to get it done.

Segal: Mm hm.

Napolitano: So that's, that's one of the first steps that you, that take place.

Segal: I would think, uh, many people, uh, don't even consider, uh, the possibility of remodelling, uh, before they say "maybe we should move. I'm kind of bored of this place. It's not working for me." Whereas, uh, if they sat back and thought, "well, maybe if I just changed it up in here a little bit, did the basement or whichever it may be, that area, they may say, 'cause a lot of other things considered they maybe like where they are.

Napolitano: Well that's one of the often-asked questions on a major renovation or addition. Uh, do we do the renovation and addition or do we sell the home? And there's a bunch of things that have to be, uh, taken into consideration. Uh, first of all, what's the value back from the addition or reno? Uh, if you, you know, are you going to be there for a long period of time where it may not matter? Or do you think you're going to be there short term and for resale sometimes addition can help or it can hurt, depending on what you do. You, one of the things you don't want to do is take a three-bedroom home and turn it into a two-bedroom home, uh, for resale value. Um, bathrooms are always a popular addition on, on, that should be on every floor of a, of a home. So, so you gotta take it all into consideration. You gotta take a look at your lifestyle, the neighbourhood, uh, you

know, go with a, an agent and, and look at homes, uh, that would be of the size that you're gonna add the addition and compare the cost. There is a, a major cost, uh, factor too to moving as well.

[...]

Segal: Well, let's give your phone number so people can get in touch with you and [coughs], little cough there. It's 416-236-4400, 416-236-4400. And also you can reach, uh, Royal online at [www.royalhome.ca](http://www.royalhome.ca). Now, we should discuss certain, uh, areas of the home and, uh, renovations that can be done, uh, well, it could be anywhere from, I suppose, uh, having new flooring put in to just taking a room apart and just putting it all back together again in a new way.

Napolitano: Yeah, that's one thing that we offer at Royal, is, uh complete renovations at all levels. If you just wanna redecorate the home and, it might mean, uh, changing some flooring and some painting and, uh, maybe opening up some walls and, um, doing some, walking into the kitchen and taking care of countertops and, rather than just revamping the whole kitchen, uh, that's something we can take care of as well. So we're, we're glad to have our project managers come out and assess any, any renovation or, or, or need that might, you may want to have done and, and assess it and properly price the job out and put a budget together.

Segal questioned Napolitano about current trends in bathroom renovations and then led into a commercial break with the following statement:

Segal: We're going to take a quick little break and we'll be back with Paul Napolitano of Royal Home Improvements. Wanted to mention, you can reach Paul at 416-236-4400. That's 416-236-4400. Seniors pay no tax. Or you can reach them online with, uh, at [www.royalhome.ca](http://www.royalhome.ca).

Following the break, the program resumed:

Segal: [...]. We're with Paul Napolitano of Royal Home Improvements. We're discussing, uh, renovations in your home, areas of your home that, uh, you can enhance to maximize value or just for pure comfort and liveability. You know, it's not always about moving. It's about, uh, making your home suit you and your lifestyle.

Napolitano: That's right. So whatever your needs may be, and, uh, we, we shouldn't forget the exterior of the home, too. Now's a, a busy time. People are getting outside in the nicer weather and they may want to put in new driveways, walkways, patios, decking, uh, retaining walls, all kinds of landscaping. And that's something, uh, we do in a big way as well.

They briefly discussed the effect of cold weather on exterior landscaping and then Segal suggested the following:

Segal: So I suppose now would be a good time to, uh, get in touch, uh, hash over some ideas, see what works and then, uh, just get right to it when the, uh, time is right.

Napolitano: Yep, uh, well, spring and fall are a good time to, uh, to take care of, uh, exterior needs and, and leave the summer months for things to, uh, recuperate and, and grow around it. Whether it's that you have to waterproof your foundation and you're digging up gardens, uh, it gives, uh, the full season for them to recover.

Segal: If someone said, you know, uh, "this year, I think I'd, we'd like to expand our backyard, maybe put in a nice patio, um, make it a little bit more, um, accessible for entertaining", is it too late in the season to, uh, be able to enjoy, uh, the majority of the summer months and have that work done?

Napolitano: Not if they act now and were, were able to, uh, get in there and, and, and work on the job. Of course, depending on the size of the project, usually an average, uh, backyard project, uh, usually consists of, uh, a week's work to two weeks' work to, to complete. So, no, you could certainly be enjoying it if, uh, people act upon it now to have us come in and help 'em out with some design ideas and, and different options, uh, to do.

They commented on the growing popularity of enclosed patios and outdoor kitchens.

Segal: Could you get that done for them, Paul?

Napolitano: We certainly could.

Segal: Folks, you just give Paul and the good folks at Royal a call at 416-236-4400. And, uh, you know, uh, listen, if you've got an idea, give 'em a call, discuss it with them. Uh, I'm sure the good folks at Royal, you'd have no problem, uh, having a feasibility discussion with them, Paul, and taking a look at the property, seeing what, if it makes sense or not for them or bouncing around some other ideas and there's no stupid questions, is there? I mean, we just never know, uh, you sometimes think that, uh, boy, I'm the only person in the world that would ask a question like this, but, uh, you know, that's why you're in business, to help people through these, uh, decisions.

Napolitano: And that's right. And on top of, uh, the promotions that we offer for, uh, discounts and incentives over the year, at all times seniors never pay the tax, so they'll save, uh, the GST.

Segal: And that adds up. That adds up and, uh, Royal's been in business a good long time. They do excellent work. And you cover the city pretty well, Paul, don't you? What, uh, what are the ar-, parameters, the areas that you cover?

Napolitano: All across, uh, the GTA, whether it's 416 or 905 we'd be able to service ya. And we, we'll even go outta town. I was outta, outta, out in Hamilton, uh, last week, uh, to see a client with some roofing issues. But we get all over the, uh, GTA and surrounding areas. We'd be glad to go out and see people.

Segal: Well, give 'em a call, folks. And as, uh, Paul mentioned, seniors pay no tax. And, uh, that's not a bad deal at all and they do fine work. Thank you so much

for joining us, Paul. And thank you for bringing in your lovely daughter, Chelsea. She is just gorgeous. Twelve years old.

Napolitano: Twelve years old.

Segal: Well, I tell you, you're gonna have to, when the guys start knocking on the door, you're gonna have to, uh, [laughs] be the wolf at the door.

Napolitano: Yes.

Segal: She's a great little girl. Thank you so much. Paul Napolitano, Royal Home Improvements. Again their phone number, 416-236-4400. Our time is about nineteen minutes before twelve.

That concluded the segment.

The CBSC received a complaint about the program dated April 5. The complainant was concerned that the radio station did not reveal that the home improvement company had paid for the opportunity to appear on the program. She outlined her concerns in part as follows (the full text of all correspondence can be found in Appendix B):

My complaint is with respect to a company that advertises on AM740 radio called Royal Home Improvements. They have been running advertising spots for a number of years at different times throughout the day. I have no problem with the actual ads they run [...] but I do have major concerns about a segment broadcast on a show called *Sunday Showcase* with Murray Segal.

I have attached an email I sent to AM740 radio on December 8, 2004. I will give you some of the background information and it basically tells my story. [...] [M]y concern [was] that Murray Segal was "endorsing" Royal Home Improvements and Paul Napolitano personally. I went on in this letter to say that one of the reasons my family decided to hire Royal Home Improvements for a home renovation was because of the comfort level Murray leaves with his listeners and his assurances that "the good work the folks at Royal do" [*sic*]. Were it not for Murray Segal's assurances that this was such a great company to do business with, I would likely have gone elsewhere for my home renovation project. Royal's pitch line is "make one call and relax".

I followed up [with CHWO] again last year (after enduring once again a Sunday morning show with Paul and Murray bantering about how great his family-owned business of 30 years is and how excellent their work is, etc.).

When I finally had an opportunity to speak with [the Program Director] [...], he basically told me that AM740 and Murray Segal are NOT "endorsing" any company or person and that the timeslot on Murray Segal's *Sunday Morning Showcase* is PAID FOR by Royal Home Improvements. In other words, it's just "advertising". I told him that if that was the case, then clearly the station should be saying so (much like political announcements clearly state "this has been a paid political announcement") but Murray doesn't say that nor does the station. [...]

I don't know what part of the word "endorse" they don't understand. According to *Webster's Dictionary*, "endorse" means "to give one's name or support to; sanction; to aid by approval; to approve as, to 'endorse' an opinion." And that is clearly what Murray Segal is doing whenever he has Paul Napolitano on his Sunday morning show.

I made it a point to listen to this past Sunday's broadcast (April 1, 2007). At approximately 11:20 am, Murray Segal introduced Paul Napolitano of Royal Home Improvements. The theme appeared to be "spring has sprung" as Murray put it. I took notes of the nearly half-hour show. They began the show by exchanging warm greetings: "how's the wife", etc. [...] They then began discussing spring home renovation projects. Throughout the show, Murray (and he does this all the time) goes on to say things like "give the good folks at Royal a call" and "they do fine work". [...] They are a "mutual admiration society" if ever there was one. In fact, Murray even closes the time slot that day by thanking Murray [*sic*] for bringing in his adorable 12-year-old daughter Chelsea (and banters on about how Paul will have to keep the hounds at bay in a few years time) or something along those lines.

I remember on another occasion, when he had Paul Napolitano on his show and apparently Paul and his wife had just purchased a new house and they went on and on to talk about all the renovations Paul was doing on this new house. My question is WHO CARES? What is the purpose of having him on the show? If this is truly just a paid advertising spot (as [the Program Director] claims), why doesn't AM740 radio just say so? Murray Segal should be stating either before or after the show that "this was a paid advertising spot by Royal Home Improvements and the comments are those of the advertiser and NOT the views of AM740."

You can't have it both ways. What right does Murray Segal have to say to AM740 radio listeners "the good folks at Royal do fine work"? How does he know? Has he personally had work done by Royal at his home? They sure didn't do fine work for [my] family. Is there some kind of quid pro quo going on here? For his support and approval, perhaps Murray is getting home renovations on his own home? It makes you wonder. [...]

[...]

It is unfortunate that AM740 does not want to address my concerns about this company but, more importantly, my concerns that I feel they themselves are "part of the problem" and not the solution. As long as Murray Segal wraps his arms around his buddy Paul Napolitano on these Sunday morning shows and high-fives his friend about what a great company he's got and how wonderful his work is, etc., etc., what is the public to believe? I am willing to bet that *Sunday Showcase* listeners do NOT know that Royal's time on Murray's show is nothing but a paid spot, in fact just the opposite. As I said, the two of them come across as a mutual admiration society and best buddies.

As I stated earlier, it was in part because of all the good things Murray had to say about Paul and Royal Home Improvements that my husband and I decided to call them. I felt I could take Murray Segal's approval and support of them to the bank. It turned out I was wrong.

I want the CRTC or the CBSC to investigate my complaint with AM740 radio and explain to me the argument they are making that this is just a case of "advertising as usual". I do not agree and I intend to take whatever further steps necessary to bring this to the attention of the public so they are protected against this type of slick sales job. It's disgraceful.

CHWO responded to the complainant on May 9, explaining the station's position:

I am in receipt of the complaint you have lodged against CHWO – AM740 Radio, dated 10 April 2007, which was forwarded to me by the Canadian Broadcast Standards Council, of which AM740 is a member in good standing.

First of all, I am sorry that your experience with Royal Home Improvements (Royal) was an unhappy one. This company has been advertising with us for several years through which they have garnered much new business and many new clients who have gone on to hire them again and again.

[...]

You claim that you decided to choose Royal Home Improvements because of the advertising you heard on our station. That's a good thing – advertisers who use our station to reach our audience is how we stay in business. Nevertheless, the ultimate decision to choose one company or advertiser over another is always up to you, the consumer.

With respect some of the specific concerns you have mentioned in your letter, it is hard for me to believe that you, who once worked at a successful Toronto radio station, did not understand the exchange you heard (and continue to hear) between our announcer, Murray Segal, and the representative of Royal Home Improvements as advertising. Of course it was – and is. Having worked in the advertising department of [a different Toronto radio station], surely you are familiar with the fundamentals of commercial radio, namely that a company will buy time on a station for the express purpose of getting its message out to the listeners about its product or service in the hopes of attracting more customers. It's not really relevant whether it takes ten seconds, thirty seconds, sixty seconds or five minutes – it's a commercial bought and paid for by the advertiser. The fact that our announcers are sincere and convincing in the process of having the advertiser's message delivered is essential to the success of the advertising and is one of the elements an advertiser takes into account when choosing to advertise on our station. I have no idea whether or not Murray Segal personally endorses Royal Home Improvement. What I do know is that he is very good at presenting the advertisers who appear on his program in a positive, professional and sincere manner. If you were an advertiser, isn't that what you would want? As a former commercial broadcaster who wrote advertising copy, I would be willing to bet that you understand that distinction better than most.

As far as what was said about the company on the air by either the representative from Royal or our announcer, such as slogans like "make one call and relax", that is the responsibility of the advertiser. Our concerns when approving advertiser messages are that the language and product are lawful; that health claims (if made) are approved by Health Canada; and that the messages are not targeting children. We follow all Codes of Ethics and Standards at all times throughout all of our programming, including the advertising we air, and upon review of this case we have come to the opinion that none of those codes and standards have been breached.

As far as your suggestion is concerned that we should be identifying the fact that this was and is a paid commercial in the same way that political announcements are identified, (a regulatory requirement), at this time there are no regulations or voluntary standards that require a radio station to identify normal advertising as having been a paid commercial announcement. On the practical side, from our perspective, to do so would be stating the obvious and the additional commercial clutter it would cause would be very poor programming, indeed.

The complainant submitted her Ruling Request via the CBSC's website form on May 14 and sent the CBSC a copy of a letter she addressed to the station which expressed her dissatisfaction with their response:

First, I would like to say that you have cleverly misrepresented what I was saying. An example is I referred to the fact the reason I chose Royal was because of Murray's "endorsement" on his *Sunday Showcase* broadcast with Paul Napolitano. You suggest I said I chose Royal because of the "advertising" I heard on the station. You purposely distorted what I said. It wasn't the "advertising" I heard, it was Murray's "endorsement" of the company month after month. He personalizes the conversation in such a manner and agrees and supports Paul's qualifications, experience, workmanship, etc.

[...]

And you imply that everything is hunky-dory as far as you are concerned and any problem I may have had with Royal is "my problem" and has nothing to do with AM740. I'm afraid we will have to agree to disagree on the subject. Everything is not fine in the world of Royal Home Improvements.

You stated: "You claim that you decided to choose Royal Home Improvements because of the *advertising* you heard on the station." (italics mine) That is not what I said. My letter to the CBSC clearly stated that [the Program Director] is the one who calls the ½-hour banter between Murray Segal and Paul Napolitano on his show *Sunday Showcase* as being simply "advertising" and I said I disagreed with his interpretation of what that ½ hour is and what it represents to the listening public. My position is that Murray Segal is "endorsing" this company and any reasonable person listening to the banter between the two of them would agree. What is it about the word "endorse" you don't understand [...]? I will repeat what *Webster's Dictionary* states: "endorse" means "to give one's name or support to; sanction; to aid by approval; to approve as to 'endorse' an opinion."

Clearly Murray Segal is "endorsing" Paul's message by the very fact he "aids by approval". He also clearly is giving his name and support to what Paul is saying and claiming on air. This isn't about "advertising", it is about "endorsing" a company or product by insinuating yourself into the conversation as Murray does. You state "whether it's a 10 sec., 30 sec., 60 sec., or 5 minutes it is a commercial bought and paid for by the Advertiser." Sorry, but I disagree. And ½ hour is not 5 minutes and when the two of them sit "side by side" and talk as a mutual admiration society, that is not what I call a "commercial" or an "advertising" spot.

I have no problem with Royal's 60-second radio spots that are on throughout the day every day. Anyone can tell it is a 60-second radio spot and no one is reading the script (the announcer) and adding his two cents in with comments like "call the good folks at Royal, they do great work". To do so following the 60-second spot would be an "endorsement" by that announcer. That does not happen on a 30- or 60-second spot.

But *Sunday Showcase* is a complete different story. Murray Segal spends ½ hour segments with this company endorsing what Mr. Napolitano is saying as if it is the gospel. For you to suggest the reason Murray doesn't state that the entire ½ hour with Paul is "a paid commercial advertising spot" is there is no regulatory requirement forcing you to do so (unlike political announcements where it is a requirement) and you said that "on the practical side, from our perspective, to do so would be stating the obvious and the additional commercial clutter it would cause would be very poor programming, indeed."

Well, I do not agree with you at all that "to do so would be stating the obvious". You are implying that all your listeners KNOW that what they are listening to is a paid commercial albeit one that runs half an hour long. Murray is a "participant" in this so-called "commercial" as you call it.

[...]

There should be a “disclaimer” given that the “views expressed are those of Royal Home Improvements and not the views of Murray Segal or AM740.” That is what you should be doing and I intend to pursue this matter until it is resolved to my satisfaction. I want to protect vulnerable seniors from exploitation from a company like Royal Home Improvements.

[...]

You end your letter by stating “I don’t know what else we can do.” Well, you can start by making sure the station’s policy moving forward is to make a “disclaimer” before or after Murray’s time slot with Mr. Napolitano and Royal Home Improvements stating the so-called “obvious” [...]. That would be the right thing to do. What is not the right thing to do is to continue taking their “advertising dollars” with no regard to the consumer or the listening audience.

I am requesting a Ruling in this matter. If I don’t agree with the Ruling, I will contact the CRTC, the media and anyone else I have to in order to challenge your position and get the facts out.

## THE DECISION

The Ontario Regional Panel examined the complaint under the following provision of the Canadian Association of Broadcasters’ (CAB) *Code of Ethics*:

### Clause 6 – Full, Fair and Proper Presentation

It is recognized that the full, fair and proper presentation of news, opinion, comment and editorial is the prime and fundamental responsibility of each broadcaster. This principle shall apply to all radio and television programming, whether it relates to news, public affairs, magazine, talk, call-in, interview or other broadcasting formats in which news, opinion, comment or editorial may be expressed by broadcaster employees, their invited guests or callers.

### Clause 14 – Advertising Details

- (a) Broadcasters recognize that they are responsible for the acceptability of advertising material they broadcast. All commercials must conform to applicable laws and regulations.
- (b) Broadcasters shall ensure that advertising material within a newscast is clearly distinguishable from the news information adjacent to it. To this end, any commercial message broadcast within a newscast should not be read by the newsreader.
- (c) Broadcasters shall ensure that there is no influence by advertisers, or the perception of such influence, on the reporting of news or public affairs, which must be accurate, balanced, and objective, with fairness and integrity being the paramount considerations governing its reporting.

The Panel also referred to the following clause of the *CAB Code of Ethics*:

## Clause 5 – News

- (3) Nothing in the foregoing shall be understood as preventing broadcasters from analyzing and elucidating news so long as such analysis or comment is clearly labeled as such and kept distinct from regular news presentations. Broadcasters are also entitled to provide editorial opinion, which shall be clearly labeled as such and kept entirely distinct from regular broadcasts of news or analysis.

The Panel Adjudicators read all of the correspondence and listened to the broadcast in question. The Panel concludes that the station violated both Clauses 6 and 14.

## Program Sponsorship Rules

Although the broadcaster and the complainant were at loggerheads on the issue of *disclosure*, they were in fact agreed on the *essential* fact, namely, that the challenged program was, in the words of the broadcaster, “a commercial bought and paid for by the advertiser.” And *that* is the issue for, assuming that the program was indeed a commercial, the question is whether an ordinary radio listener would have *known* that. While the apparent experience of the complainant in commercial radio enabled her to be aware of that fact, it is the reaction of the ordinary uninformed (in commercial radio practices) listener that counts. In the view of the Panel, such audience members could be expected to recognize 15- or 30-second commercial spots, but they would not know, without advice, that the challenged *Sunday Showcase* was nothing more or less than paid flattery. The failure to inform them is misleading and unfair.

There is, however, another issue of concern to the Panel. It flows from the station President’s statement in his letter of May 9 that “at this time there are no regulations or voluntary standards that require a radio station to identify normal advertising as having been a paid commercial announcement.” While it is true that there is no specific nominate code provision dealing with sponsored programming, there *is* a standard that has been defined by the CBSC in its decision in *CFRB-AM re an episode of the Health Show* (CBSC Decision 04/05-1171, December 15, 2005). The CFRB decision was the CBSC’s first opportunity to deal with the issue of paid or sponsored programming and it was this very Panel that rendered that decision.

The *Health Show* was a talk radio program on which the host and guests discussed health-related issues. Sometimes the guests were invited by the station, but other times the guests were representatives of a company that had paid to appear on the program. A listener complained that, on those occasions where the guests had paid to appear, that fact was not adequately disclosed to the audience. He complained about one particular episode in which two representatives from a retirement residences corporate chain discussed elder care. In that case, unlike the matter at hand, the program included an introduction, which stated that the program was “brought to you by

Retirement Residences Group”. There was no such disclaimer in the case of the challenged *Sunday Showcase* under consideration here. In any event, this Panel concluded that the CFRB disclaimer was inadequate. It ruled that broadcasters must provide “*clear, transparent and unequivocal disclosure* [emphasis added] of the sponsorship” of a program and that CFRB had failed to do so in that instance. In that decision, the Panel began by referring to other countries’ rules related to sponsored programming, and then extracted and adapted those principles in the following way:

The bottom line is that potential confusion on the part of the listener (or viewer) is the concern. Just as text-heavy, story-styled full pages in newspapers are headed “[advertisement]” when they are thought to be at risk of inducing readers into believing that they are the objective news items or features prepared by the publication’s staff, broadcast equivalents that could be potentially confusing to radio or television audiences merit their own style of confusion avoidance.

[...]

[T]here must be disclosure of the fact that there is a link between some sponsor and the services or goods being promoted during the program. The Panel wishes to emphasize that there is nothing inherently wrong or problematic in providing expertise to audiences. Such information may indeed be extremely helpful and informative. The problem results only from the potentially incorrect audience expectation that an expert on a subject who is presented by a broadcaster has been chosen *by* the broadcaster on the basis of his or her expertise and not on the basis of having *paid* for the opportunity to access audience members listening in good faith and innocence.

It is not the intention of the Panel to attempt to write a set of specific rules that must apply to the broadcast of sponsored programming. *The Panel considers that it is sufficient to lay down the principle that the broadcaster airing sponsored or paid programming must advise its audience of that sponsorship clearly, transparently and unequivocally.* The disclosure must also be made at the beginning and end of the program and sufficiently frequently during it that persons tuning in after the start of the program will be able to listen to the broadcast on an informed basis, in terms of the relationship between the sponsor and the program content. [Emphasis added]

The Panel then commented on that particular broadcast:

The point is that the language was soft-pedalled and the host appeared to the Panel to avoid connecting the sponsorship with the guests, when *that* would have been the material issue for members of the audience. [...] In some respects, the burden on the broadcaster to provide more and clearer information is greater in circumstances where audiences may be used to programs where the guests are obviously independent and without financial interest in the episode being aired. [...]. Indeed, the obligation may be still greater when the station broadcasting such sponsored programming is a news and talk station since that broadcast format consists primarily of *spoken word*. While *all* stations have the obligation to provide a clear, transparent and unequivocal disclaimer, listeners to a news and talk station could more easily confuse paid or sponsored content with regular news and information programming.

As the *CAB Code of Ethics* provides in Clause 6, broadcasters must provide a “full, fair and proper presentation of news, opinion, comment and editorial” in the context of public affairs, call-in, interview and magazine format programming. It is the *full* and the *fair* that are missing in the present instance. Moreover, the vagueness of the “disclaimer”

presents a problem in terms of the required distinction between advertising content and news or public affairs, as anticipated by Clause 14(b) and in terms of the perception of influence by advertisers “on the reporting of news or public affairs, which must be accurate, balanced, and objective, *with fairness and integrity being the paramount considerations governing its reporting.* [Emphasis added.]” Much of the discussion in the second half of the one-hour show lost any element of disinterested, detached, independent perspective, focussed as it came to be on the Retirement Residences Group solutions to all issues.

As to the applicability of the principles laid down in the CFRB decision, the broadcaster is reminded of its obligation under the *CBSC Manual* to respect CBSC decisions, whether these have been rendered in connection with its own programming or with respect to the programming of any other broadcaster. It is, for example, provided in the *Manual* that

By joining the CBSC and in order to remain in good standing therein, broadcaster members of the Council must broadcast in accordance with the standards established in the Codes, as these have been interpreted in the Council's jurisprudence, and adhere to those additional rules established in this Manual. In the event that such adherence is not respected, the broadcaster member in question shall not be entitled to remain a member of the Council.

It should be noted that **it is the responsibility of CBSC broadcaster members to ensure that all persons in relevant positions will be familiar with the CBSC jurisprudence and the Council's decisions as they are rendered.** [Emphasis original]

Not only does the CBSC expect that the rules it lays down in its jurisprudence will be followed, but the Canadian Radio-television and Telecommunications Commission (CRTC) also has such an expectation. Thus, in the decision renewing the licence of a Quebec broadcaster, the CRTC reminded the licensee that it was obliged to respect the sponsored programming rule laid down in the CFRB decision. In *CJMS Saint Constant – Licence Renewal*, Broadcasting Decision CRTC 2006-352 (10 August 2006), the Commission stated:

At the hearing, the Commission advised the licensee of a recent decision by the Canadian Standards Broadcast Council (CSBC) [*sic*] regarding sponsored programs, i.e., CBSC decision 04/05-1171. The Commission recommended that the licensee read the decision to ensure it fulfills its obligations when broadcasting sponsored programs. The Commission reminds the licensee of its responsibility to comply with the CSBC [*sic*] decision when broadcasting sponsored programs.

In the matter at hand, in addition to the non-disclosure of the paid sponsorship of the program, the host insinuated himself to an undue extent in the “selling” of the product, namely, the services of the builder.

There are analogous circumstances anticipated in Clauses 5(3) and 14(b) of the *CAB Code of Ethics*. The news example, Clause 5(3), permits broadcasters to analyze and elucidate the news, but requires, on the other hand, that “such analysis or comment [must be] clearly labeled as such and kept distinct from regular news presentations.” So, too, broadcasters are “entitled to provide editorial opinion, which shall be clearly

labeled as such” but any such opinion must be “kept entirely distinct from regular broadcasts of news or analysis.” The point about that news-opinion relationship is that broadcasters may not sow confusion. They must distinguish between news and opinion that might be misunderstood by audiences as a part of the news. Similarly, and for similar reasons relating to the concern about confusion on the part of the audience, in the advertising context, Clause 14(b) requires that “advertising material within a newscast is clearly distinguishable from the news information adjacent to it.”

In the sponsorship environment, broadcasters must correspondingly ensure that their programming will not be a source of confusion for their audiences. This can only be achieved by following the principle laid down by this Panel in the CFRB decision; namely, “The broadcaster airing sponsored or paid programming must advise its audience of that sponsorship clearly, transparently and unequivocally.” This was not accomplished in the matter at hand and the Panel concludes that CHWO has breached Clauses 6 and 14 of the *CAB Code of Ethics*.

### **Broadcaster Responsiveness**

In all CBSC decisions, the Council’s Panels assess the broadcaster’s responsiveness to the complainant. In the present instance, the Panel finds the response of the broadcaster’s President was thoughtful and candid. Although neither the complainant nor the Panel agree with his substantive position on the applicable standard, the broadcaster is never under any obligation to *agree* with the complainant. It is the commitment to dialogue with a complainant who has made the effort to register a concern that is the issue. Not only is there no fault in the difference of perspectives, it is the case that every matter that goes to a Panel for adjudication begins with just such a disagreement between the complainant and the broadcaster. The Panel considers that CHWO-AM has fully met its CBSC membership responsiveness responsibilities in this instance.

### **ANNOUNCEMENT OF THE DECISION**

CHWO-AM is required to: 1) announce the decision, in the following terms, once during peak listening hours within three days following the release of this decision and once more within seven days following the release of this decision during the time period in which *Sunday Showcase with Murray Segal* was broadcast; 2) within the fourteen days following the broadcasts of the announcements, to provide written confirmation of the airing of the statement to the complainant who filed the Ruling Request; and 3) at that time, to provide the CBSC with a copy of that written confirmation and with air check copies of the broadcasts of the two announcements which must be made by CHWO.

The Canadian Broadcast Standards Council has found that CHWO AM 740 breached provisions of the Canadian Association of Broadcasters' *Code of Ethics* in its broadcast of an episode of the *Sunday Showcase with Murray Segal* on April 1, 2007. Although that episode of the program was a paid or sponsored show, CHWO did not clearly, transparently and unequivocally disclose either that fact or the relationship between the sponsorship and the guest on the program. By failing to do so, it did not fully and fairly provide information to audiences on a public affairs program, contrary to the provisions of Clauses 6 and 14 of the *CAB Code of Ethics*.

*This decision is a public document upon its release by the Canadian Broadcast Standards Council.*

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## APPENDIX A

### CBSC Decision 06/07-0999 CHWO-AM re *Sunday Showcase with Murray Segal*

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*Sunday Showcase* with Murray Segal airs on CHWO-AM (AM 740, Oakville) on Sunday mornings from 10:00 am to noon. It consists of a mix of oldies songs and discussions with guests. The following is a transcript of a segment that aired during the April 1, 2007 episode.

musical intro

Segal: Yes, "This Old House", Rosemary Clooney could only mean one thing. Mister Paul Napolitano of Royal Home Improvements is in the house. [Napolitano laughs] How're you doin', Paul?

Napolitano: I'm doing great, Murray. Thanks for having me.

Segal: It's good to see you. Now, of course, our conversation began this morning very quickly with a hockey game that, uh, you apparently attended last night.

Napolitano: Wow, what a, what a hockey game and what a situation down at the AC last night. I was, I was invited down through, uh, friends and, uh, sitting in the upper bowl. And, uh, just before the, uh, the overtime I, I believe some gentleman, some gentleman had a heart attack.

Segal: Well, uh, heart attack, I'm not sure exactly what happened, but he did collapse and, uh, a woman whose name escapes me, uh, at the time, uh, rushed to her, uh, to his aid and may have saved his life.

Napolitano: Well this is the interesting part of the story.

Segal: This was person was [*sic*] with you?

Napolitano: No. The, the couple that were down there –

Segal: Mm hm?

Napolitano: Paul and, Paul and Julie Beattie are, are good friends of April's and, and myself and, uh, I didn't, I didn't recognize them, I'm watchin' what's going –

Segal: Judy Beattie was the one who, uh, --

Napolitano: Julie.

Segal: Julie.

Napolitano: Yeah. She's a nurse and Paul's a fireman that we play hockey with and, uh, it was just, I, I opened up the paper on page five this morning. It's not in all areas, but there is a picture of Paul and Julie and, uh, what an amazing story.

Segal: Julie's a hero, huh? Kind of underscores the game.

Napolitano: Yes.

Segal: Although the game was huge for the Leafs and, uh, they'll live to fight another day after that game.

Napolitano: So a big congratulations to Paul and Julie Beattie.

Segal: Oh yeah. Julie Beattie, I, you know, and, uh, what a, you know, how, and there was not a second, uh, of hesitation. That's what, uh, may have saved this gentleman's life, is that she was there like that.

Napolitano: When we watched it, the, the, the whole area just cleared right out. So it was, it was just like, I guess like they practise. Like a routine situation. It was just amazing to, to see them go to work. Of course, I couldn't tell from way up where I was sitting, uh, who, who was taking care of everything. But it was, it goes to show ya.

Segal: Yeah, the game last night was not without its, uh, moments of excitement. That's for sure. Well Paul, we are here to discuss, uh, spring has sprung and people, uh, you know, they get that urge to maybe say, ah, what should we do with this room? Or the patio? We're going to spend it at, uh, this summer we'll be out there. What should we do that, you know, it's getting a little, uh, rough or maybe we want to expand this or that. It could be the basement. There's so many parts of the home that we, uh, sometimes decide it needs a little work.

Napolitano: Well, when you want to reinvent your home, whether it's going to be an addition or remodelling, there's, there's some stages that you have to go through. Probably the first of all, if you want to build an addition, uh, you call a, call prospective contractors up and have 'em come out and take a look at things. It's good to have a wish list of what you're going to use the addition for. For example, example, is it going to be a family room or a den? Uh, is it actually going to be an addition to the kitchen? Then you, you'll go through a planning stage of what needs to be done. You have to make sure you take care of all the paperwork, get your permits in order. Uh, if you are gonna, uh, go through with the process and, and start calling, uh, contractors out, it's important that you have a copy of a survey available 'cause eventually they're gonna need that survey. And through that survey with the different municipalities or townships it'll tell you whether you, uh, can build the addition, uh, without any, uh, road blocks. And sometimes you have to go through a variance, through a committee of adjustment to get it done.

Segal: Mm hm.

Napolitano: So that's, that's one of the first steps that you, that take place.

Segal: I would think, uh, many people, uh, don't even consider, uh, the possibility of remodelling, uh, before they say "maybe we should move. I'm kind of bored of this place. It's not working for me." Whereas, uh, if they sat back and thought, "well, maybe if I just changed it up in here a little bit, did the basement or whichever it may be, that area, they may say, 'cause a lot of other things considered they maybe like where they are.

Napolitano: Well that's one of the often-asked questions on a major renovation or

addition. Uh, do we do the renovation and addition or do we sell the home? And there's a bunch of things that have to be, uh, taken into consideration. Uh, first of all, what's the value back from the addition or reno? Uh, if you, you know, are you going to be there for a long period of time where it may not matter? Or do you think you're going to be there short term and for resale sometimes addition can help or it can hurt, depending on what you do. You, one of the things you don't want to do is take a three-bedroom home and turn it into a two-bedroom home, uh, for resale value. Um, bathrooms are always a popular addition on, on, that should be on every floor of a, of a home. So, so you gotta take it all into consideration. You gotta take a look at your lifestyle, the neighbourhood, uh, you know, go with a, an agent and, and look at homes, uh, that would be of the size that you're gonna add the addition and compare the cost. There is a, a major cost, uh, factor too to moving as well.

Segal: Well we, we have talked many times and, uh, you've, you've said that there are certain rooms in the home that are more advantageous to increasing the value of your home. Now, uh, on the topic of maybe, uh, remodelling to suit your lifestyle, well you could do that and the enhanced value, uh, you've, uh, given your home through that remodelling will help you down the road if you are considering a resale, also enhance your experience as you're living in the home. It's kind of a win-win that way.

Napolitano: Yeah, plus, plus you, you know, it's not always about the money. It's about your, your lifestyle and being comfortable in your home as well. So you gotta take that into consideration. Uh, especially, more than that, we see people that, at the last minute when they're going to sell their home, they have to all of a sudden dress it up and it's quite a disappointment when they, they see the home and how it could have been and lived through.

Segal: Yeah.

Napolitano: So you might as well take advantage of it now 'cause costs don't go down in renovations over time. As everything else, they usually go up.

Segal: Well, let's give your phone number so people can get in touch with you and [coughs], little cough there. It's 416-236-4400, 416-236-4400. And also you can reach, uh, Royal online at [www.royalhome.ca](http://www.royalhome.ca). Now, we should discuss certain, uh, areas of the home and, uh, renovations that can be done, uh, well, it could be anywhere from, I suppose, uh, having new flooring put in to just taking a room apart and just putting it all back together again in a new way.

Napolitano: Yeah, that's one thing that we offer at Royal, is, uh complete renovations at all levels. If you just wanna redecorate the home and, it might mean, uh, changing some flooring and some painting and, uh, maybe opening up some walls and, um, doing some, walking into the kitchen and taking care of countertops and, rather than just revamping the whole kitchen, uh, that's something we can take care of as well. So we're, we're glad to have our project managers come out and assess any, any renovation or, or, or need that might, you may want to have done and, and assess it and properly price the job out and put a budget together.

Segal: Let's take the washroom, for instance, off the top. What are some of the trends you're seeing, uh, in washroom, uh, renovations these days?

Napolitano: Yeah, vertical spas in, in the bathroom. Uh, shower sprays are in all directions, coming out of the wall today which makes it quite comfortable. Uh, having nice-sized walk-in, uh, showers is very convenient. The rain-heads overhead

is also a, a big feature. And, you know, if you could incorporate a bench into the bathroom, uh, shower area, that, that's large enough, it certainly makes it convenient. But, yeah, body massage, uh, shower sprays are quite popular.

Segal: Oh really. And, and, you know, some of these units you see that can be easily installed are just, uh, it's like, as you mentioned, like a spa all in that one little area there.

Napolitano: Yeah, there's a trick in the plumbing, having to make sure that everything's updated properly and if you're gonna go through the trouble of, of putting in, 'cause the fixtures, there's a bit of an investment there. You know, the average, uh, body massage, uh, fixture, you're probably gonna be in the fifteen hundred to three thousand range to, to upgrade your fixtures, so you're, if you're gonna do that, then you may want to consider "do I revamp the whole bathroom as well?"

Segal: And you've got lots of choices too.

Napolitano: Lots of choices out there for all budgets.

Segal: We're going to take a quick little break and we'll be back with Paul Napolitano of Royal Home Improvements. Wanted to mention, you can reach Paul at 416-236-4400. That's 416-236-4400. Seniors pay no tax. Or you can reach them online with, uh, at [www.royalhome.ca](http://www.royalhome.ca).

[commercial break]

Segal: "Just in Time" right here on Old Time Favourites AM 740. We're with Paul Napolitano of Royal Home Improvements. We're discussing, uh, renovations in your home, areas of your home that, uh, you can enhance to maximize value or just for pure comfort and liveability. You know, it's not always about moving. It's about, uh, making your home suit you and your lifestyle.

Napolitano: That's right. So whatever your needs may be, and, uh, we, we shouldn't forget the exterior of the home, too. Now's a, a busy time. People are getting outside in the nicer weather and they may want to put in new driveways, walkways, patios, decking, uh, retaining walls, all kinds of landscaping. And that's something, uh, we do in a big way as well.

Segal: Is this a tough time of year to do, uh, work around, say, you're mentioning about putting paths in and such, with, with the freezing that we're going under, the period we're going under now, we're coming out of the wintertime. Uh, is that a tough job to do as far as say, you know, you don't wake up in a, the next morning and you find that your stones are all out of level from freezing and thawing and such?

Napolitano: Yeah, you certainly want to make sure that the frost is out of the ground before you, you put in, uh, any type of, uh, uh, paving, whether it's, uh, landscaping for walkways or patios. But, yes, uh, you have to wait for the, uh, spring to come in, the thaw to go away, uh, to come up and then you could, uh, plan. And everything starts with a good base on, on, uh, walkways, patios, et cetera.

Segal: So I suppose now would be a good time to, uh, get in touch, uh, hash over some ideas, see what works and then, uh, just get right to it when the, uh, time is right.

Napolitano: Yep, uh, well, spring and fall are a good time to, uh, to take care of, uh, exterior needs and, and leave the summer months for things to, uh, recuperate and,

and grow around it. Whether it's that you have to waterproof your foundation and you're digging up gardens, uh, it gives, uh, the full season for them to recover.

Segal: If someone said, you know, uh, "this year, I think I'd, we'd like to expand our backyard, maybe put in a nice patio, um, make it a little bit more, um, accessible for entertaining", is it too late in the season to, uh, be able to enjoy, uh, the majority of the summer months and have that work done?

Napolitano: Not if they act now and were, were able to, uh, get in there and, and, and work on the job. Of course, depending on the size of the project, usually an average, uh, backyard project, uh, usually consists of, uh, a week's work to two weeks' work to, to complete. So, no, you could certainly be enjoying it if, uh, people act upon it now to have us come in and help 'em out with some design ideas and, and different options, uh, to do.

Segal: People are concerned, and rightly so these days, about things such as West Nile, uh, you know, mosquitoes aren't just a nasty, uh, itchy, uh, sting you get anymore; they could be carrying airborne diseases now. So, a lot of people are looking for enclosed patios.

Napolitano: Yes, enclosed patios, uh, whether they be, uh, uh, sunrooms or actually attached to the home and that can be screened in and also glassed in. And they could, a seasonal home is, uh, quite popular. Uh, and then, you know, even gazebos, free-standing ones, uh, that are put over patios are quite popular as well for entertaining in.

Segal: People putting in a lot of, uh, it's almost like an outdoor kitchen, I'm seeing these days more and more.

Napolitano: Yeah, if you go through any of the home shows in the last, uh, couple of years you'll see, and especially with the, uh, unlock products that are available, built-in wall systems –

Segal: Fridges, the whole bit.

Napolitano: -- to accom-, to accommodate an outdoor kitchen is quite popular and be prepared to, to spend some money on it. It's, it's a big investment and, uh, it's, uh, quite a way to, uh, entertain and liven up the backyard, that's for sure.

Segal: Could you get that done for them, Paul?

Napolitano: We certainly could.

Segal: Folks, you just give Paul and the good folks at Royal a call at 416-236-4400. And, uh, you know, uh, listen, if you've got an idea, give 'em a call, discuss it with them. Uh, I'm sure the good folks at Royal, you'd have no problem, uh, having a feasibility discussion with them, Paul, and taking a look at the property, seeing what, if it makes sense or not for them or bouncing around some other ideas and there's no stupid questions, is there? I mean, we just never know, uh, you sometimes think that, uh, boy, I'm the only person in the world that would ask a question like this, but, uh, you know, that's why you're in business, to help people through these, uh, decisions.

Napolitano: And that's right. And on top of, uh, the promotions that we offer for, uh, discounts and incentives over the year, at all times seniors never pay the tax, so they'll save, uh, the GST.

Segal: And that adds up. That adds up and, uh, Royal's been in business a good long time. They do excellent work. And you cover the city pretty well, Paul, don't you? What, uh, what are the ar-, parameters, the areas that you cover?

Napolitano: All across, uh, the GTA, whether it's 416 or 905 we'd be able to service ya. And we, we'll even go outta town. I was outta, outta, out in Hamilton, uh, last week, uh, to see a client with some roofing issues. But we get all over the, uh, GTA and surrounding areas. We'd be glad to go out and see people.

Segal: Well, give 'em a call, folks. And as, uh, Paul mentioned, seniors pay no tax. And, uh, that's not a bad deal at all and they do fine work. Thank you so much for joining us, Paul. And thank you for bringing in your lovely daughter Chelsea. She is just gorgeous. Twelve years old.

Napolitano: Twelve years old.

Segal: Well, I tell you, you're gonna have to, when the guys start knocking on the door, you're gonna have to, uh, [laughs] be the wolf at the door.

Napolitano: Yes.

Segal: She's a great little girl. Thank you so much. Paul Napolitano, Royal Home Improvements. Again their phone number, 416-236-4400. Our time is about nineteen minutes before twelve.

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## APPENDIX B

### CBSC Decision 06/07-0999 CHWO-AM re *Sunday Showcase with Murray Segal*

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The CBSC received the following complaint dated April 5, 2007 via fax:

Dear Sirs:

Re: Complaint against CHWO – AM740 Radio, Oakville, Ontario

I am writing to the CBSC to formally register a complaint I have against the above-mentioned radio station operating as AM740 Radio. I have put my complaint in writing to AM740 but never received acknowledgement of my complaint. I have called the radio station several times. I did speak to [G. S.] (Program Director) in March of 2006, but was not satisfied with his response. He suggested I speak with [A. D.] (Advertising Manager) and told me he would have her call me. She never did. Several subsequent calls to her went unanswered. I left messages for her Monday, April 2 and 3, 2007.

My complaint is with respect to a company that advertises on AM740 radio called Royal Home Improvements. They have been running advertising spots for a number of years at different times throughout the day. I have no problem with the actual ads they run (although I believe them to be false advertising) but I do have major concerns about a segment broadcast on a show called *Sunday Showcase* with Murray Segal.

I have attached an email I sent to AM740 radio on December 8, 2004. I will give you some of the background information and it basically tells my story. As you will see on page 3 of my complaint, I clearly spelled out to [the Program Director] and [B. S.] my concern that Murray Segal was “endorsing” Royal Home Improvements and Paul Napolitano personally. I went on in this letter to say that one of the reasons my family decided to hire Royal Home Improvements for a home renovation was because of the comfort level Murray leaves with his listeners and his assurances that “the good work the folks at Royal do” [sic]. Were it not for Murray Segal’s assurances that this was such a great company to do business with, I would likely have gone elsewhere for my home renovation project. Royal’s pitch line is “make one call and relax”.

Well, as you will see from my correspondence to [the Program Director] and Mr. [S.], my home improvement project with Royal turned out to be “The Renovation from Hell”. I subsequently found out that Royal did not even have a business licence to be doing home renovation work in Mississauga where I live. They do not have one for Oakville, Brampton and other surrounding GTA municipalities that require one. As I said, I never heard from [the Program Director] re my email. I followed up again last year (after enduring once again a Sunday morning show with Paul and Murray bantering about how great his family-owned business of 30 years is and how excellent their work is, etc.).

When I finally had an opportunity to speak with [the Program Director] (my notes indicate it was on March 22, 2006), he basically told me that AM740 and Murray Segal are NOT “endorsing” any company or person and that the timeslot on Murray Segal’s *Sunday Morning Showcase* is PAID FOR by Royal Home Improvements. In other words, it’s just “advertising”.

I told him that if that was the case, then clearly the station should be saying so (much like political announcements clearly state “this has been a paid political announcement”) but

Murray doesn't say that nor does the station. He said I should take the matter up with [the Advertising Manager] in advertising, but obviously [the Advertising Manager] isn't interested in my concerns or opinion on the matter because she won't return my calls.

I don't know what part of the word "endorse" they don't understand. According to *Webster's Dictionary*, "endorse" means "to give one's name or support to; sanction; to aid by approval; to approve as, to 'endorse' an opinion." And that is clearly what Murray Segal is doing whenever he has Paul Napolitano on his Sunday morning show.

I made it a point to listen to this past Sunday's broadcast (April 1, 2007). At approximately 11:20 am, Murray Segal introduced Paul Napolitano of Royal Home Improvements. The theme appeared to be "spring has sprung" as Murray put it. I took notes of the nearly half-hour show. They began the show by exchanging warm greetings: "how's the wife", etc. Then Paul proceeded to tell a story of being at a Leafs game at the Air Canada Centre the night before with friends (a fireman friend and his wife Julie Beatty) and how she came to the aid of a man who'd had a heart attack in the stands. They then began discussing spring home renovation projects. Throughout the show, Murray (and he does this all the time) goes on to say things like "give the good folks at Royal a call" and "they do fine work". I suggest you or the CRTC get a hold of Sunday's taping (before they toss it out after 21 [*sic*, actually 28] days) and listen for yourself. My husband can't stand listening to the two of them – he leaves the kitchen. They are a "mutual admiration society" if ever there was one. In fact, Murray even closes the time slot that day by thanking Murray [*sic*] for bringing in his adorable 12-year-old daughter Chelsey [*sic*] (and banters on about how Paul will have to keep the hounds at bay in a few years time) or something along those lines.

I remember on another occasion, when he had Paul Napolitano on his show and apparently Paul and his wife had just purchased a new house and they went on and on to talk about all the renovations Paul was doing on this new house. My question is WHO CARES? What is the purpose of having him on the show? If this is truly just a paid advertising spot (as [the Program Director] claims), why doesn't AM740 radio just say so. Murray Segal should be stating either before or after the show that "this was a paid advertising spot by Royal Home Improvements and the comments are those of the advertiser and NOT the views of AM740."

You can't have it both ways. What right does Murray Segal have to say to AM740 radio listeners "the good folks at Royal do fine work"? How does he know? Has he personally had work done by Royal at his home? They sure didn't do fine work for [my] family. Is there some kind of quid pro quo going on here? For his support and approval, perhaps Murray is getting home renovations on his own home? It makes you wonder. When I told [the Program Director] the fact that Royal doesn't even bother to get a business licence for the city they're doing work in should tell listeners to be wary of what kind of a business Royal really is. Not only are they not licensed, Royal is guilty of fraud, misrepresentation and non-disclosure as well.

I believe the public is not being well-served when a company like Royal is permitted all the air time they need in order to misrepresent who they are and what they do. What really makes my blood boil, though, is that they are aiming their message specifically at seniors because, as they state, "seniors pay NO GST". This is their targeted audience. And I know as well as everyone else that "seniors" are especially vulnerable to snake-oil salesmen and scoundrels.

Many are alone, some having lost their spouse, many have cognitive as well as physical difficulties and they are especially vulnerable to slick scam artists and fraudsters. I am especially concerned about this segment of the population and there are many elderly people living in Oakville and the surrounding GTA. I don't want to see them fall prey to this company's false misrepresentations.

It is unfortunate that AM740 does not want to address my concerns about this company but,

more importantly, my concerns that I feel they themselves are “part of the problem” and not the solution. As long as Murray Segal wraps his arms around his buddy Paul Napolitano on these Sunday morning shows and high-fives his friend about what a great company he’s got and how wonderful his work is, etc., etc., what is the public to believe. I am willing to bet that *Sunday Showcase* listeners do NOT know that Royal’s time on Murray’s show is nothing but a paid spot, in fact just the opposite. As I said, the two of them come across as a mutual admiration society and best buddies.

As I stated earlier, it was in part because of all the good things Murray had to say about Paul and Royal Home Improvements that my husband and I decided to call them. I felt I could take Murray Segal’s approval and support of them to the bank. It turned out I was wrong.

I want the CRTC or the CBSC to investigate my complaint with AM740 radio and explain to me the argument they are making that this is just a case of “advertising as usual”. I do not agree and I intend to take whatever further steps necessary to bring this to the attention of the public so they are protected against this type of slick sales job. It’s disgraceful.

As the complainant indicated in her complaint letter, she attached a copy of an e-mail she had sent directly to the station on December 8, 2004:

Dear Sirs:

Re: Royal Home Improvement – Renovation Project

My name is [A. S.]. Earlier this morning I left a voicemail message for [the Program Director] to call me on the advice of your receptionist. I will wait to hear back from him but in the meantime I have taken the liberty of attaching to this email letters I have written to Royal Home Improvements on the subject matter.

Earlier this summer, our family contracted with Royal Home Improvements (RHI) to perform 3 small projects. The first was to replace six bedroom windows and our living room with a bay window. The second was to replace the “tudor” style façade on the exterior second level of the house with an updated “stucco” look. The third was to paint our garage doors, front doors and pillars to match the colour chosen for the stucco.

We had several bidders, two from Oakville. We decided to get a “quote” from RHI after listening to Murray Segal on *Sunday Showcase* giving his endorsement of this company. In fact, Mr. Paul Napolitano and Murray sound like a “mutual admiration society” in their lively banter of exchange. And Mr. Napolitano is constantly bragging about his “company-owned and -operated [sic] business of 30 years” and he speaks to his company’s mission of giving the customer, in his words, “the best possible product with the finest service” and in his “President’s Message” he states: “It is our pleasure to fulfill our customers’ needs and provide total satisfaction.” He actually encourages listeners to call him *personally* anytime about a current project or a future project they might be considering. And he goes after seniors with his “no GST for seniors” bribe.

As I told your receptionist, I worked for CFRB Radio in the early '70s. I worked in traffic and continuity and the copy department. CFRB was a “family” radio station and I knew well “the gang” of on-air personalities and Don Hartford ran the station like one big “family”. I also knew Earl Warren quite well and had many conversations with him. My point is Earl Warren (and this applies to all the announcers) would not have given “endorsements” of any person or company that was not completely “above board” and they certainly would not want to be seen endorsing “businesses” whose message and sales pitch was a complete misrepresentation of what their company stood for or represented.

I do not believe this company cares “one wit” about their customer or their customers’ needs. This company should not even be permitted to ply their trade as far as our family is concerned because, no. 1 – they do not protect the safety and well-being of their employees and sub-trades, and no. 2 – they *do not* employ knowledgeable labour or skilled tradespeople although they claim to do so in their contract. I have had every one of their people (my project manager [E.], their general manager [K. C.] and even their receptionist [L.]) hang up on me because they don’t want to hear “the truth” and they do not want to listen to customer complaints about how the project is being handled. I have been unable to personally *speak* with Mr. Napolitano because my messages were never passed on to him or they were ignored. This “Renovation from HELL”, as I call it, has affected my mental health and caused me personal anguish, trauma and emotional distress. The straw that broke the camel’s back, however, was their project manager [E.] falling off my roof when he went up to drill the eavestroughs back on to the stucco (as his workers had left them sitting in my garage for several weeks) and never returned to replace them. I implored him not to get up on the roof by himself because I was genuinely concerned he might fall – and he did. My worst nightmare came true. The first day that the windows were to be installed (in August), Royal actually sent over 1 man to remove my old windows on the 2<sup>nd</sup> storey and replace them with the new ones. Can you believe this? When I asked him where “his crew” was, he told me “I’m it”. This installer (from Jeld-wen Windows and Doors), when he realized the new windows were not to spec, was instructed to “alter” each and every window. The JAMB measurement was wrong – out by about 6 inches. My husband wasn’t consulted about his, nor myself or my son. My project manager, rather than admit an error on his part and send the windows back to the manufacturer in Winnipeg, decided the installer should attempt to “fix the problem”. As I say in my letter to Mr. Napolitano, the result was a dog’s breakfast. When the windows were delivered, they were beautiful, custom-made-to-fit (at least I thought) and they took a silk purse and made it into a sow’s ear. When I attempted to deal with this matter with [the General Manager] ([the Project Manager]’s superior), I was treated rudely and his first comment was “what do you want us to do now – take out the windows?” noting the old windows had been removed already. I indicated our family would have wanted the windows returned to the manufacturer even if it meant putting “plastic covering on the windows” for however long it took to have them replaced with the correct measurements in place. It was during this *first* conversation [the General Manager] hung up on me, later telling me his phone went dead, which I do not believe to be the case. He called my conversation a “rant”. Well, I had every reason to be angry, disappointed and even disgusted with the manner in which this project was proceeding and his position was defensive. He stood by his staff and assured me they were all “professionals” in their trade.

Our family is also taking up our complaints with this company to the Ministry of Labour – Occupational Health and Safety Branch. I worked for a major law firm for 13 years; in fact, I worked with a former Deputy Minister of Labour – Tim Armstrong. I am very familiar with employment and labour laws in this province. A builder has a duty to be *responsible* for the safety and well-being of all their employees and sub-trade workers. We have an Employment Standards Act and a Workers Safety Standards Act and there are rules and regulations governing the construction trades. I intend to take issue with the manner in which Royal Home Improvements conducts its business.

The bottom line is I don’t want what happened to our family to happen to anyone else. God forbid, some poor, unsuspecting senior should look out his/her living room window one day to see a Royal Home Improvements worker lying on their lawn unconscious or dead perhaps after taking a fall. It’s enough to give someone a heart attack, for heaven’s sake. I’m 55 years old but I can tell you something, I was in a terrible state by the time the ambulance arrived to take him to hospital for a CAT scan and other tests. As it turns out, he was bruised and cut on his forehead and obviously must have felt like he’d been hit by a Mack truck, but he was lucky he didn’t kill himself. And I just can’t believe the attitude of everyone involved at Royal. No one seems to give a damn and no one seems to want to be held accountable or

responsible for this accident – that shouldn't have happened in the first place.

I felt it imperative that I write to AM740 radio on behalf of [my] Family to inform you of what took place with our home renovation project. I simply do not understand how this company functions as a business. They sell you with their fancy brochures outlining their mission and people actually believe what they hear (especially when it's served up on AM740 Sunday morning with Murray Segal and Paul acting like a mutual admiration society) because people believe in your radio station and they believe that your station wouldn't be trying to "pull one over" on the listening audience. A lot of people listen on Sundays to Marilyn Weston and Murray and throughout the day. When they are bombarded with these types of messages and endorsements coming from a reputable station such as yourself, the listener feels *confidence* because they believe they will be served in such manner. I see myself as an informed, intelligent individual who makes fairly good judgments. But I was taken in, and so was my family because we believed the truth in the advertising. I dread to think of all those poor senior citizens out there (many with handicaps that come with old age – and you know what I mean) being taken in with the "No GST for seniors" draw only to find themselves in an even worse position than [my] Family because they are paying "up front". This company is smart. They have built their renovation contracts with a built-in "safety guard". They make the homeowner *pay as they go* and at the end of the day, if you're not happy with the product delivery or workmanship, there is nothing you can do about it because you paid for the work as it progressed. I received quotes from other firms. Royal's was the only one who demanded to be paid up front and as the work progressed. The industry standard is 25-30% down and the balance on completion. This way, the consumer is protected from inferior product and performance, negligence, etc. No party should be forced to pay 100% of the cost of the project when the work is substandard, the company hires "unskilled tradesmen who lack the knowledge to perform the task."

I have been bullied by their general manager and [my] entire Family has had to endure their rudeness, their lack of professionalism, their incompetence and their refusal to admit their errors and omissions. I personally (my husband and son excluded) have been treated by everyone at Royal in the most atrocious manner and I fully believe any company who treats its customers the way we've been treated no longer deserves to be in business and the public should be informed. They should be on a "don't go" list of home renovators to ensure our experience counts for something. They say "one" bad experience doesn't necessarily mean everyone's experience will be likewise. That's true, but knowing the "people" themselves who represent this firm and the way they've treated me with their hardball tactics, pit-bull attitude, behaviour and conduct, I am fairly certain "a leopard never changes its spots" (as my mother was fond of saying) and you also "can't make a silk purse out of a sow's ear". Their work speaks for itself as does their conduct towards their customers. I question their business ethics and I have reason to question and doubt their honesty. To be candid, I believe this rag-tag crew are no better than "rip-off artists" preying on an unsuspecting public.

AM740 (or Murray Segal himself) are welcome to come and take a good look at their workmanship and what they call a "finished product". And then I'd like Murray or someone at your station to tell me to my face that "they'd have them in their home to do a project". They claim to provide "excellence in service". This company wouldn't know excellence in service if it was staring them right in the face. They are incapable of providing such because they know and I know and my family and even my neighbours now know that "the proof is in the pudding", as they say, and their work, unfortunately, speaks for itself. On Sunday mornings now when I hear their advertisements (and endorsements from Murray), my husband and I are forced to change the channel. It's enough to make you throw up your Sunday breakfast. As far as I'm concerned (and I have a radio background, so I think I'm qualified enough to have an opinion and a response) that AM740 is doing themselves no favour by endorsing this home renovation company. And I think it unconscionable that Mr. Napolitano personally so misrepresents what his company – Royal Home Improvements – stands for and his "Mission

Statement” in the front of his brochures is offensive in the extreme when you read him state “You can trust Royal to provide custom, quality solutions for all your home projects, big and small. Our workmanship and attentive service will impress you!” Yeah right, by attentive service, does that include having one’s project manager fall from your roof and is that that supposed to impress the homeowner??? I somehow doubt it.

God save us all from this type of misrepresentation and truth in advertising. I suggest Murray Segal come over to [my] Family home here in Lorne Park and let him see with his own eyes the type of superior workmanship and attention to detail they claim to provide. And whoever heard of a “painter” who doesn’t prepare his surface for painting or who continues to paint after dark (without proper lighting); whoever heard of sending a 1-man crew to get on a homeowner’s roof to replace 6 heavy windows all by himself, without any concern for his safety, working after dark?

I have been profoundly affected by what has happened with this Royal Home Improvements construction and the shoddy workmanship of this project. I’ve never seen anything like it. I have written to Mr. Napolitano regarding this project as you will see in my letter to him of November 19. I believed (wrongly) that he would take a personal interest in what has happened on his jobsite as the president of this “30-year-old family-owned and –operated business”. I was extremely disappointed to read his letter to me. He did not appear to be bothered by the fact that one of his people had fallen from the roof of my house. He never addressed my concerns and simply said he was “sorry to hear that you experienced difficulty with your project”. He stated “While we endeavour to have every job run as smoothly as possible, sometimes on-site circumstances mean we must return to ensure our clients get the very best product possible.” He then goes on to say if I have any further questions I should deal with [the General Manager] (who at this point had hung up on me not once but twice) and that “my staff will be at your assistance”. I would like to impress upon Mr. Paul Napolitano that he should “walk the walk” not just “talk the talk” as he’s fond to do Sunday mornings. His correspondence to me proves that he takes no responsibility for what goes on in his “30 year, family-owned and –operated business”. For shame!!

Thank you for your indulgence. Our family has been threatened with a construction lien because we refuse to pay the contracted price for what turned out to be a “botched job” from start to finish and the mistreatment and negligence we were exposed to. I simply refuse to reward their incompetence, negligence and shoddy workmanship by paying 100% of the contract price. My windows have been “damaged” and my manufacturer’s warranty had been disrupted because the windows were “hacked up” and we refuse to pay the total price of custom-made and fit windows – when that it not what was produced. I have put Royal Home Improvements on notice that our family intends to defend any action brought forward by Royal. They have also been put on notice that we are currently in the process of contacting the proper authorities (at the Ministry of Labour) and will be calling for an investigation of this matter.

Well, that’s about all, folks. I’m a loyal listener to AM740 and it’s so nice to hear Bill McVean with his “traveller tips” and others who I am familiar with. It’s been a long time since I roamed the CFRB corridors at Yonge and St. Clair and I enjoyed every minute of it. Sadly, many have left us – Gordon Sinclair, Bob Hesketh, too many. When I listen to Murray, I can’t help but see and hear his dad. It’s striking the similarity in their voices.

As I said earlier in this email, after speaking with your receptionist this morning I asked to be connected to your program director and she indicated I should speak with [the Program Director]. I just felt that this “story” needed to be told. Thank you for letting me tell it.

## **Broadcaster’s Response**

CHWO responded to the complainant on May 9 with the following:

I am in receipt of the complaint you have lodged against CHWO – AM740 Radio, dated 10 April 2007, which was forwarded to me by the Canadian Broadcast Standards Council, of which AM740 is a member in good standing.

First of all, I am sorry that your experience with Royal Home Improvements (Royal) was an unhappy one. This company has been advertising with us for several years through which they have garnered much new business and many new clients who have gone on to hire them again and again. Royal Home Improvements has a valued reputation in home renovations throughout the GTA and you are the first unsatisfied customer that I have come across. Indeed, I have personal knowledge of one individual who employed them and was extremely happy with the work they did for him.

At any rate, your concerns and complaints about the work done (or not done, in your opinion) at your home is between you and the company you contracted to do the work, namely Royal Home Improvements, and in no way are they related to this radio station or, for that matter, any other media outlet that may have broadcast or printed this advertiser's commercial message.

You claim that you decided to choose Royal Home Improvements because of the advertising you heard on our station. That's a good thing – advertisers who use our station to reach our audience is how we stay in business. Nevertheless, the ultimate decision to choose one company or advertiser over another is always up to you, the consumer.

With respect to some of the specific concerns you have mentioned in your letter, it is hard for me to believe that you, who once worked at a successful Toronto radio station, did not understand the exchange you heard (and continue to hear) between our announcer, Murray Segal, and the representative of Royal Home Improvements as advertising. Of course it was – and is. Having worked in the advertising department of CFRB, surely you are familiar with the fundamentals of commercial radio, namely that a company will buy time on a station for the express purpose of getting its message out to the listeners about its product or service in the hopes of attracting more customers. It's not really relevant whether it takes ten seconds, thirty seconds, sixty seconds or five minutes – it's a commercial bought and paid for by the advertiser. The fact that our announcers are sincere and convincing in the process of having the advertiser's message delivered is essential to the success of the advertising and is one of the elements an advertiser takes into account when choosing to advertise on our station. I have no idea whether or not Murray Segal personally endorses Royal Home Improvement. What I do know is that he is very good at presenting the advertisers who appear on his program in a positive, professional and sincere manner. If you were an advertiser, isn't that what you would want? As a former commercial broadcaster who wrote advertising copy, I would be willing to bet that you understand that distinction better than most.

As far as what was said about the company on the air by either the representative from Royal or our announcer, such as slogans like "make one call and relax", that is the responsibility of the advertiser. Our concerns when approving advertiser messages are that the language and product are lawful; that health claims (if made) are approved by Health Canada; and that the messages are not targeting children. We follow all Codes of Ethics and Standards at all times throughout all of our programming, including the advertising we air, and upon review of this case we have come to the opinion that none of those codes and standards have been breached.

As far as your suggestion is concerned that we should be identifying the fact that this was and is a paid commercial in the same way that political announcements are identified, (a

regulatory requirement), at this time there are no regulations or voluntary standards that require a radio station to identify normal advertising as having been a paid commercial announcement. On the practical side, from our perspective, to do so would be stating the obvious and the additional commercial clutter it would cause would be very poor programming, indeed.

Finally, I am sorry that Sales Manager [A. D.] did not get back to you. However, she didn't ignore you, either. [The Sales Manager] tells me that immediately after hearing your voice message, she contacted Royal Home Improvements to ask them to look into your complaint against them. The rest was up to them. Nevertheless, she apologizes for not having got back to you to inform you of her action, which she should have done out of courtesy to you.

Ms. [S.], I don't know what else we can do. We regret the obvious frustration you have experienced with your home renovation and your dealings with Royal Home Improvements. However, from our viewpoint, Royal Home Improvements is a reputable company and a valued advertiser/client of AM740. Nevertheless, we cannot assume any responsibility in the trouble and dissatisfaction you feel you have suffered in your dealings with Royal and can only suggest that you meet with them, perhaps through a mediator, and try to resolve your issues with them directly.

### **Additional Correspondence**

The complainant submitted her Ruling Request via web form on May 14 and indicated that she would send additional comments by mail. A letter arrived a week later, asking the CBSC to forward it to the station:

I am in receipt of your letter dated May 9, 2007. As you are aware, I called the station Friday, May 11, 2007 to speak to you personally. You were not in. I left 2 voice-mail messages. I need not reiterate what I said. However, I do wish to respond and comment on some of the points you made in your letter.

First, I would like to say that you have cleverly misrepresented what I was saying. An example is I referred to the fact the reason I chose Royal was because of Murray's "endorsement" on his *Sunday Showcase* broadcast with Paul Napolitano. You suggest I said I chose Royal because of the "advertising" I heard on the station. You purposely distorted what I said. It wasn't the "advertising" I heard, it was Murray's "endorsement" of the company month after month. He personalizes the conversation in such a manner and agrees and supports Paul's qualifications, experience, workmanship, etc.

You stated: "I am sorry that your experience with Royal Home Improvements was an unhappy one." You go on to say "this company has been advertising with us for several years through which they have garnered much new business and many new clients who have gone on to hire them again and again. Royal Home Improvements has a *valued reputation in home renovations throughout the GTA* and you are the first unsatisfied customer that I have come across. Indeed, I have personal knowledge of one individual who employed them and was extremely happy with the work they did for him." (italics mine)

Well, those comments should not go unanswered. First of all, and with all due respect, how would you know how many "unsatisfied customers" are out there who may have had an equally bad experience with Royal? Maybe they just don't complain to radio stations and deal with any bad experience through legal means and the courts.

And you imply that everything is hunky-dory as far as you are concerned and any problem I

may have had with Royal is “my problem” and has nothing to do with AM740. I’m afraid we will have to agree to disagree on the subject. Everything is not fine in the world of Royal Home Improvements.

You stated: “You claim that you decided to choose Royal Home Improvements because of the *advertising* you heard on the station.” (italics mine) That is not what I said. My letter to the CBSC clearly stated that [the Program Director] is the one who calls the ½-hour banter between Murray Segal and Paul Napolitano on his show *Sunday Showcase* as being simply “advertising” and I said I disagreed with his interpretation of what that ½ hour is and what it represents to the listening public. My position is that Murray Segal is “endorsing” this company and any reasonable person listening to the banter between the two of them would agree. What is it about the word “endorse” you don’t understand, [President]? I will repeat what *Webster’s Dictionary* states: “endorse” means “to give one’s name or support to; sanction; to aid by approval; to approve as to ‘endorse’ an opinion.”

Clearly Murray Segal is “endorsing” Paul’s message by the very fact he “aids by approval”. He also clearly is giving his name and support to what Paul is saying and claiming on air. This isn’t about “advertising”, it is about “endorsing” a company or product by insinuating yourself into the conversation as Murray does. You state “whether it’s a 10 sec., 30 sec., 60 sec., or 5 minutes it is a commercial bought and paid for by the Advertiser.” Sorry, but I disagree. And ½ hour is not 5 minutes and when the two of them sit “side by side” and talk as a mutual admiration society, that is not what I call a “commercial” or an “advertising” spot.

I have no problem with Royal’s 60-second radio spots that are on throughout the day every day. Anyone can tell it is a 60-second radio spot and no one is reading the script (the announcer) and adding his two cents in with comments like “call the good folks at Royal, they do great work”. To do so following the 60-second spot would be an “endorsement” by that announcer. That does not happen on a 30- or 60-second spot.

But *Sunday Showcase* is a complete different story. Murray Segal spends ½ hour segments with this company endorsing what Mr. Napolitano is saying as if it is the gospel. For you to suggest the reason Murray doesn’t state that the entire ½ hour with Paul is “a paid commercial advertising spot” is there is no regulatory requirement forcing you to do so (unlike political announcements where it is a requirement) and you said that “on the practical side, from our perspective, to do so would be stating the obvious and the additional commercial clutter it would cause would be very poor programming, indeed.”

Well, I do not agree with you at all that “to do so would be stating the obvious”. You are implying that all your listeners KNOW that what they are listening to is a paid commercial albeit one that runs half an hour long. Murray is a “participant” in this so-called “commercial” as you call it.

As for your excuse as to why I never heard back from [the Sales Manager], your excuse is disingenuous and it was not for her to have passed my voice message on to Royal Home Improvements to ask them to look into my complaint against them. It was for her to explain to me why [the Program Director] considers the ½ hour time slot simply a “commercial”. She is in charge of advertising. [The Program Director] was suggesting that is all we are talking about – an “advertisement”. I disagreed with him and indicated [the Sales Manager] was who I should speak with on the subject. She didn’t want to speak to me. Maybe she didn’t want to go on record stating it’s all just “one long ½ hour radio commercial” and did not want to acknowledge that Murray does indeed “endorse” this company.

[President], I have advised you that Royal Home Improvements does not have a business licence in Oakville, Brampton or Mississauga (which are all part of the GTA). Royal Home Improvements was fined \$1,000 by the City of Mississauga in May 2005. You would think

they'd have obtained a licence after that, wouldn't you? Well, as I told you in my voicemail, they didn't and still don't have one. You are based in Oakville on Church Street. He comes into your broadcast centre in Oakville and tells all Oakville seniors they will pay no GST with a Royal home renovation. He doesn't inform them he has no licence, does he?

Oh, and he doesn't inform them (nor does Murray Segal) that they also do not maintain their premium payments with the Workers' Compensation Insurance Board either. In other words, they are as the representative at WCIB said "deadbeats" to use her very own words.

Now, do you think all those wealthy Oakville homeowners (many who are seniors with a lot of home equity) would contract with Royal or allow them into their homes if they knew the "truth"? What Royal is doing on *Sunday Showcase* is obviously "misrepresentation" and AM740 is condoning and supporting their telling of lies. There should be a "disclaimer" given that the "views expressed are those of Royal Home Improvements and not the views of Murray Segal or AM740." That is what you should be doing and I intend to pursue this matter until it is resolved to my satisfaction. I want to protect vulnerable seniors from exploitation from a company like Royal Home Improvements. A project manager falling off your roof is not something to dismiss. Royal Home Improvements "contracts" are fraudulent misrepresentations and there is deliberate non-disclosure on their part.

Mr. Napolitano has never personally contacted [my] Family about our renovation, yet he and Murray claim he is accessible and just a phone call away. That is a lie. He wrote me a one-liner telling me [the General Manager] deals with Royal's customer complaints knowing full well I did not want to deal with [the General Manager]. He is an aggressive "bully" and pit-bull. Dealing with him became toxic to my health.

You end your letter by stating "I don't know what else we can do." Well, you can start by making sure the station's policy moving forward is to make a "disclaimer" before or after Murray's time slot with Mr. Napolitano and Royal Home Improvements stating the so-called "obvious", [President]. That would be the right thing to do. What is not the right thing to do is to continue taking their "advertising dollars" with no regard to the consumer or the listening audience.

I am requesting a Ruling in this matter. If I don't agree with the Ruling, I will contact the CRTC, the media and anyone else I have to in order to challenge your position and get the fact out. There are many senior groups in Oakville. My son lives in Oakville, my hairdresser is in Oakville and I am very fond of Oakville. I will do whatever it takes to inform the "seniors" of Oakville of the true facts.

And if AM740 wants to wash their hands of the facts, so be it. Keep accepting their "advertising" dollars – money from a company that you know is disseminating falsehoods. I will gather a petition or do whatever I can to change that. You stated "Our concerns when approving advertiser messages are that the language and product are lawful ...."

Well, they are unlawfully conducting business in the GTA without obtaining the required business licence from Oakville, Mississauga, Brampton and probably other areas as well. You have been put on notice that this is the case. But obviously you don't care whether they are licensed or not or whether they pay WCIB premiums and operate the business as they are legally required to do.

It is my hope the "seniors" of Oakville will care. And I will make it my "mission" to tell them the truth. Paul has his "Mission Statement" and now I have one. AM740 Radio is not acting ethically by helping Paul Napolitano with his non-disclosure and misrepresentation. They simply do not obey the laws that everyone else is expected to obey. I have a licence from the city for my dog, for heaven's sake. They think they are above the law and it's just the cost of

doing business to pay the costs “when they get caught”. How shameful.