



Response to Ofcom's discussion document:

“The Future Of Radio”

14th December 2006

LISTENING TRENDS

As shown in Rajar's statistics *Section 3.2 figure 1* radio still consistently pulls in very large weekly audiences. So why are audience figures for local commercial radio falling whilst those for BBC National stations (particularly Radio 2) continue to grow?

We feel that local commercial radio has lost its identity and to some extent its role. The networking and co-location of local ILR stations to reduce costs has resulted in the loss of their "localness" and appeal to the communities they're intended to serve. Music is the same the world over, but features and programmes involving local communities are what make local radio unique.

Section 3.3 - The challenge to engage young adults (16-24 year old) is not new. Youth culture is, by its very nature, rebellious and seeks alternative genres of music. This changes with each generation (rock 'n' roll, punk, hip-hop, garage, rap etc.) The BBC Light Service failed to satisfy early 1960's teenager's desire for "pop music" and they switched over in droves to Offshore Pirate Radio stations – which ultimately led to the creation of Radio 1.

Young people should be encouraged to become involved with their local radio stations, producing programmes showcasing local bands and music, together with features and discussions dealing with youth issues - relevant to their needs.

ADVERTISING

Community Radio stations are only allowed to source 50% of their income from advertising revenue. The type of local spot advertising for small businesses carried by Community Radio is a completely different level to the regional campaigns and large businesses handled by an ILR station. There is room for each level of radio to co-exist without impacting on each other's income

If the Advertising Association's pessimistic assessment (*Section 3.8 et seq*) proves accurate, the predicted decline in commercial radio advertising revenues is worrying. There is a real possibility that ILR stations will target smaller businesses, seeking advertisers at the same level as Community Radio stations.

Ofcom will be conducting a statutory review of the Community Radio sector in the next two years, and hopefully will also review the 50% restriction on advertising and sponsorship which many Community Radio operators consider too harsh.

PLATFORMS – ANALOGUE vs. DIGITAL

The research carried out by Ofcom for their document “*Radio – Preparing for the future*” shows that truly local radio is important to the listener – “providing companionship and a sense of belonging”. It is interesting to note that 22% of the respondents to the survey wanted “very local” smaller stations, with a further 25% wanting to see their local radio covering only a “town or city”.

With the move onto digital platforms it is difficult to see how this very local need could be accommodated. Given that a local DAB multiplex carries about 8 stations (depending on bit-rate) the cost for Community Radio stations like ourselves would be prohibitive. In any event, unless some very low power multiplexes were introduced, we would be exceeding our 5km transmission radius limitation.

In Ofcom’s “Future Of Radio” discussion document, DRM (Digital Radio Mondiale) is suggested as a possible method by which Community Radio could reach a digital audience. Again, if the transmission radius restriction of 5km is maintained then the transmitter power would have to be very low, creating reception problems in built-up areas and inside some buildings.

It would seem that FM radio (VHF Band 2) provides the only viable method of transmission (using current technology) for Community Radio stations. We know from our own experience in Merseyside about the shortage of available frequencies. The problem exists in other areas of the country too, particularly within the M25 perimeter of London.

As the take-up of digital radio gathers momentum we would like to see at least part of FM (VHF Band 2) frequencies being freed up for the use of Community Radio services.