

## Kingston-upon-Hull independent local radio licence applications

# Questions and responses: Trinity FM

*These are the responses received from Trinity FM on the non-confidential questions asked by Ofcom regarding their application for the Kingston-upon-Hull licence.*

**1. The application notes that John Harding is currently the Station Manger at Home FM (p.3). What impact would his current position have, notably in terms of time constraints, upon his role as launch director at Trinity FM?**

We would expect John Harding to relinquish his present role at Home FM to take up a full-time position in Hull shortly after the award of this licence to Trinity FM. TLRC has other well qualified staff ready to take over in Huddersfield. As Ofcom will be aware, John's commitment to local radio in the Hull area is further demonstrated by his current role advising the team at West Hull Community Radio, who were awarded a community radio licence for parts of West Hull in December 2005. Most of this work is to be completed by early summer 2006 and John then expects to concentrate solely on the establishment, launch and long term success of Trinity FM.

**2. Could you clarify how you envisage Trinity FM would benefit from its association with the wider TLRC group (p.14) in practice?**

Trinity FM will be a fully equipped and staffed radio station operating independently but in partnership with other TLRC stations in the north of England and across the UK. In addition to having the comfort of financial support from a national PLC during the highly competitive early years of the licence and the economies of central purchasing and negotiation for certain common items and services, Trinity FM will benefit from the expertise and structures already developed over many years within the group.

We will be able to access staff training of a quality and relevance not easily obtained by a smaller company, and this will be made available continuously throughout the life of the station, not just for launch or when there is sufficient demand in Hull alone. Similarly TLRC has developed channels for communicating best practice and fresh ideas across their stations in all areas of work, including regular regional and national meetings of staff from all departments.

It is particularly in the field of sales systems and procedures that best practice can be seen to have an immediate effect on the viability of a radio station. When undertaken in association with improved training, the introduction of simple uniform procedures can improve sales efficiency to a significant extent. Sales traffic and credit control operations can be centralised in one or two locations giving access to specialist expertise and ensuring greater continuity in the event of staff changes. The addition of Trinity FM to the group may well facilitate the establishment of such centres in the Yorkshire area to serve the cluster of stations in the North East and Yorkshire.

Radio station engineering increasingly requires specialist skills in computer software and digital audio systems. Using compatible systems across all its stations, TLRC can simplify the task of installation and maintenance of today's complex studios and networks using a small number of highly-skilled engineers positioned strategically around the country and on call whenever and wherever required. They carry spares

for common systems and are experienced in maintaining crucial systems which are in use 24 hours a day.

The reliable commissioning, analysis and presentation of research is another area of expertise which would not be expected to be always available on site at all radio stations. TLRC can make these skills available to Trinity FM whenever required without the continuous cost of the station employing its own full-time research department.

Access to the TLRC Human Resources department will provide our senior staff with the best advice on the recruitment, development and management of employees and freelance contributors. Legislation relating to employment has grown in complexity greatly over recent years and TLRC stations find the support and guidance of this department invaluable in maintaining good and productive staff relations.

While the detailed programming of Trinity FM will be the responsibility of its own Programme Controller the new service will be able to benefit from, and will significantly contribute to, a wide range of national promotions and initiatives which will enhance enjoyment and the value of our programmes for listeners in the Hull city region. In particular TLRC's Enterprises division is highly experienced in organising major events, ranging from big-name concerts to drive-in movies, at locations around the country. Following the award of the licence we intend to use their contacts and expertise to attract major events to our area under the Trinity FM banner.

Of course, being part of a larger family of stations involves a two-way flow of ideas and assistance, and we also anticipate considerable benefits will flow from Trinity FM towards the neighbouring TLRC stations – particularly the much smaller Bridlington and Scarborough operations of Yorkshire Coast Radio. In particular we anticipate that much technical and administrative support, which currently is distributed more widely, will be clustered within this region in preparation for the launch of Trinity FM.

**3. TLRC has submitted an application for the Rotherham licence, Durham FM was launched in November and both Brunel FM and BTN are due to launch in the next few months. If the group were to be awarded more than one licence in close succession what impact would it have in terms of financial and management constraints?**

The Local Radio Company has sufficient funds available to cover the capital expenditure requirements and support the launch of all the stations listed in addition to Trinity FM. In practice all substantial expenditure on the Hull licence would fall within the next financial year, commencing in October 2006, which further reduces any financial considerations related to the amount of capital expenditure already undertaken this year. It is also worth noting that Durham FM, following a very successful launch in December last year, is trading well ahead of its forecast budget and therefore not drawing on the resources of TLRC as extensively as expected.

With regards to management resources, TLRC has adopted a regional management structure which enables it to cope more easily with exceptional demands such as the launch of a new service. For example, while Brian Lister (then TLRC's Regional Managing Director for North East England) was responsible for the establishment and launch of Durham FM, in Swindon TLRC appointed Martin Mumford as Station Manager to oversee the launch of Brunel FM, assisted by the Regional Managing Director for the South-West. Construction and technical installation is largely contracted to specialist companies who work with many other groups in addition to TLRC.

The management team at TLRC has been further strengthened since the submission of our application by the addition of Sally Oldham as Managing Director of the radio division. Formerly Group Managing Director and Strategy & Development Director of Capital Radio plc, Sally now oversees the operation of all TLRC's radio services, reporting to the company's Chief Executive Richard Wheatly.

The establishment and launch of Trinity FM will be the responsibility of John Harding (see above) working with the local board and TLRC's Regional Managing Director for Yorkshire and the North East.

We are particularly pleased to inform Ofcom that TLRC has just announced the appointment of Mel Booth as Regional Managing Director for Yorkshire and the North East, an area which will include this Hull service. Mel started his radio career in 1990 as Sales Manager and later Sales Director at Red Rose Radio in Lancashire, going on, in 1996, to become a very successful Managing Director at Viking Radio here in Hull. His experience of making award-winning local radio on Humberside, together with his continuing contacts in the area, will be very valuable to Trinity FM during the preparation of the service, its launch and its early years.

Since leaving Viking, Mel has been Managing Director of Metro Radio on Tyneside, Director of Strategy and Business Development for McKenzie Campbell Media and Station Director at 96.5 Radio Wave in Blackpool. He has most recently been closely associated with an application for this licence from Wyke FM.

#### **4. How do the audience forecasts used in the business plan for Trinity FM compare to recent experience at TLRC's other stations?**

In a period of generally declining audiences for the commercial radio sector, listening to the two relatively large TLRC stations used as benchmarks for this application has shown a small increase in the latest Rajar figures (Rajar survey period ending 26 March 2006 compared to the period ending 18 December 2005).

In the adjoining TSA of Minster and YCR (the three services based in York, Bridlington and Scarborough report jointly for Rajar purposes) weekly reach has increased from 26 to 27% and average hours listened from 8.1 to 9.5. As a result total hours for these nearby services have grown from 894,000 to 1,077,000.

There is a similar picture at Sun FM in Sunderland, where although accompanied by a small fall in average hours listened, from 9.4 to 9.2 per listener per week, a growing weekly reach, from 26% to 28% has resulted in total hours increasing from 585,000 to 603,000 over the same period.

Even after allowing for an undoubted increase in competition for listening over the next few years we believe the above experience supports our forecasts, suggesting the Trinity FM audience will reach 24% weekly reach and 9.5 average hours by the end of year three.

We are not yet able to present the first Rajar figures for Durham FM, which launched only last December, but can look at the results just released for Ivel FM in Yeovil which started broadcasting some two and a half years ago. Although it would be hard to draw any meaningful comparison with this smaller station in a very different market, it is perhaps significant that the total weekly hours listened for Ivel FM (Rajar survey period ending 26 March 2006) are 348,000 which compares very well to the

figure in their original application of 354,000 for the end of year three, which was forecast using similar methodology.