

General information

(a) Name of Applicant, Address, Telephone and E-mail

Note for new applicants: This must be a single legal entity: either a body corporate or a named individual person. If the former, a copy of the certificate of incorporation must be included with the application.

Celador Radio Limited

Address: Roman Landing
35-37 St. Mary's Place,
Kingsway,
Southampton,
SO14 1BN

Telephone: 01803 321 055
E-mail: adickey@celador.co.uk

(b) Main Contact (For Public Purposes)

Please nominate at least one individual to deal with any press or public enquiries, stating:

Name: Andrew Dickey
Telephone (daytime): 01803 321 055
Address: The Breeze, Marble Court, Lymington Road, Torquay, TQ1 4FB
E-mail: adickey@celador.co.uk

(c) Station Name (if decided)

The Breeze

(d) Main Contact (For Ofcom Purposes)

Please nominate one individual to whom questions of clarification and/or amplification should be sent, stating:

Name: Richard Johnson
Address: Celador Radio, County Gates, Ashton Road, Bristol, BS3 2JH
E-mail: rjohnson@celador.co.uk

This information may be submitted in confidence, separately from the other responses in this section.

Section 105(A): Ability to maintain proposed service

1. Ownership and control of company which will operate the licence

(a) Board of Directors

i) Provide the name, occupation, other directorships, other media interests, and, if not a director of an existing Ofcom radio licensee, the relevant media experience, of each director (executive and non-executive), including the proposed chairperson.

The Breeze is a professional, successful, local service.

The board of Celador Radio brings a range of relevant and complementary skills to a station that, if a standalone business, would be unable to attract or afford individuals of this calibre.

The directors have a wide range of skills in creativity, sales, management, finance, business, operations and technology that are essential to the successful delivery of local commercial radio services, often in challenging trading conditions.

Our board is led by our Chairman who, having created the world's most successful television format and collected numerous international television and film awards, retains a lifelong passion for radio and is the driving force behind Celador Radio. Operationally we have a CEO who has brought her extensive experience of commercial radio sales and operations to the company. Our two Regional Managing Directors collectively have almost thirty years of commercial radio sales experience in both small and large operations. Our Group Technical Director has built the engineering side of the business from a single station to a network of twenty-six and our Finance Director, whilst relatively new to the position, has significant hands-on experience in financial management and is supported by Celador's long standing non-executive Director, Stephen Dover who has over forty years of media finance experience. Finally, our most recent non-executive appointee, Phil Riley brings an extraordinary wealth of commercial radio experience from a lifetime in the industry.

In addition to Celador Radio's board of directors, we have a Sales Director based in Torquay. Lucy Warren joined us with twenty-five years in sales experience, most recently as Sales Manager for Global Radio in Devon from 2008-16. Lucy has considerable day-to-day management responsibility for The Breeze Torbay.

Chairman

| | |
|----------------------|--|
| Name: | Paul Smith CBE |
| Occupation: | Company Chairman |
| Other directorships: | Celador Entertainment Limited, Celador (Crawlspace) Limited, Celador Radio Broadcasting Limited, Celador Music And Events Limited, Celador (A Way Through The Woods) Limited, Rainy Puddles Limited, Dirty Pretty Things Limited, Celador Films Limited, Lusam Music Limited, Celador Theatrical Productions Limited, Anglian Broadcasting Company (Holdings) Limited, Anglian Radio Limited, East Coast Radio (The Beach) Limited, North Norfolk Radio Limited, 99.9 Radio Norwich Limited, Town FM Limited, Mellow 1557 Limited, Celador Radio (TRL) Limited, Celador Radio (South Devon) Limited, Celador Radio (Thames Valley) Limited, Celador Radio (Swindon) Limited, Celador Radio (Andover) Limited, Celador Radio (Newbury) Limited, Celador Radio (Bath) Limited, Celador Radio (South West) Limited, Celador Radio (BCR) Limited, Celador Radio (Portsmouth) Limited, Celador Radio (Southampton) Limited, The Breeze Radio Limited, Midwest Radio Limited, Radiocentre Limited, Barnes Restaurant Limited, Barnes Cinema Limited, Slumdog Distribution Limited, Slumdog Films Limited, Slumdog The Musical (London) Limited, Slumdog The Musical (International) Limited, Scouting Book Films Limited, Descent 2 Films Limited, Descent 2 Distribution Limited, Centurion Films Limited, Cregagh Properties LLP |

The founder, sole shareholder and Chairman of Celador Radio has an extraordinary track record in entertainment. Paul's creative and media business credentials are second-to-none and under his leadership Celador has won BAFTA, Emmy, Golden Globe and Academy Awards. Having achieved global success in television and film, Paul has left those media behind to concentrate on his first love, radio.

Paul entered the media world in 1966 when he joined BBC Television in London as a trainee projectionist. Within a few years he was directing children's programming for BBC TV. As a freelance entertainment producer in the 1970s, Paul introduced Jasper Carrott to British TV audiences and created 'It'll Be Alright on the Night', receiving a BAFTA nomination and winning a Silver Rose of Montreux in the process.

In 1983, two years after establishing Complete Video as a leading television and broadcast facilities company, Paul set up Celador Productions. Its TV successes include 'Auntie's Bloomers' (BBC1), 'Carrott's Commercial Breakdown' (BBC1), 'Talking Telephone Numbers' (ITV1), 'Winning Lines' (BBC1), 'The Detectives' (BBC1), 'You Are What You Eat' (Channel 4), and 'The Hypnotic World of Paul McKenna' (ITV1).

Paul was also the brains behind 'Who Wants to Be a Millionaire?' A global phenomenon, 'Millionaire' would win a BAFTA and two Emmys for Paul, become a TV sensation in 120 countries (and 83 languages) around the world and is widely recognised as the most successful television format ever. It also took ABC in the US from fourth rated network to first.

Paul created Celador Films in 2002 and its first release, 'Dirty Pretty Things', premiered at the Venice Film Festival that year, garnering nine international awards and an Oscar nomination. And then there's 'Slumdog Millionaire'. Produced and financed by Celador with Paul as Executive Producer, this was the critical and box office motion picture hit of 2009, winning eight Academy Awards (including Best Picture), seven BAFTAs (including Best Film), five Critics' Choice Awards and four Golden Globes.

In 2012 Paul's achievements were further recognised with the award of a CBE for services to the Media Industry and an honorary degree of Doctor of Science from the University of Ulster for services to media and enterprise (where he was described as a media maestro), and in 2014 an honorary degree of Doctor of Media from Southampton Solent University (described as a media maverick).

After an extraordinary career spanning over fifty years in the media, Paul's enthusiasm is as strong as ever and he actively leads Celador Radio on a day to day basis.

Chief Executive Officer

Name: Carol Edwards
Occupation: CEO, Celador Radio
Other directorships: Celador Radio (South Devon) Limited, Anglian Broadcasting Company (Holdings) Limited, Anglian Radio Limited, East Coast Radio (The Beach) Limited, North Norfolk Radio Limited, 99.9 Radio Norwich Limited, Town FM Limited, Mellow 1557 Limited

Carol first worked in the entertainment industry in 1993 when she joined First Leisure as a sales executive, progressing to regional sales and marketing manager for the North West and Midlands, overseeing a portfolio of 150 nightclubs.

In 2000 she entered the radio industry as marketing manager for Birmingham's Galaxy 102.2. Eighteen months later she was promoted to sales and promotions manager for Chrysalis Radio's West Midlands division, where she was responsible for the Heart and Galaxy brands. Her role expanded to include Bristol and Heart East Midlands.

In 2007 Carol was promoted to sales controller West Midlands, becoming responsible for all revenue across Heart and Galaxy and managing a team of twenty. Two years later she moved to Leicester Sound as managing director, growing audience reach to a seven-year high and increasing revenue by 20%. This was followed by a move to Smooth Radio West Midlands as sales manager where she led a team of ten and grew revenue by 16%.

In 2012 Carol decided to head south to join Celador Radio as Regional Managing Director, South of England. With a portfolio of six stations she grew revenue by over 20% annually and twelve months later was appointed group head of SPI.

In 2015 Carol accepted the role of Chief Executive Officer at Celador Radio. She has since remodelled and re-invigorated the company and overseen the growth to and integration of twenty-six stations. Although based in Southampton, Carol spends a significant amount of her time around the group, involving herself at a local level.

Finance Director

Name: Paul Charman
Occupation: Finance Director, Celador Radio
Other directorships: The Breeze Radio Limited, Celador Radio Broadcasting Limited, Celador Radio (Newbury) Limited, Celador Radio (Thames Valley) Limited, Celador Radio (Swindon) Limited, Ivel FM Limited, Celador Radio (BCR) Limited, Vale FM Limited, Celador Radio (TRL) Limited, Celador Radio (South Devon Limited), Celador Radio (Andover) Limited, Celador Radio (South West) Limited, Midwest Radio Limited, Devon Radio Limited, Delta Radio Limited, Celador Radio (Bath) Limited, Celador Radio (Portsmouth) Limited, Kestrel FM Limited, Celador Radio (Southampton) Limited

Paul began his career in 2007, working as a trainee accountant for one of the south coast's largest independent firms of chartered accountants. The company sponsored Paul to study his Association of Certified Chartered Accounts exams and in 2011 he qualified.

A year later he joined E & J Capital Partners, an investment company with a portfolio of 50,000 properties. As Finance Manager, Paul was responsible for the production of management accounts, cash management and large scale re-structuring.

In 2015, he moved to Ocean Safety Limited as Finance Manager, where he had full financial control of a £13m turnover. Paul was then promoted to Group Financial Controller of Ocean's parent company 3Si, an international marine safety manufacturer with £30m annual revenue.

In August 2016 Paul joined Celador Radio as Financial Controller, being promoted to Finance Director four months later. He manages a team of six in Celador's offices in Basingstoke.

Regional Managing Director

Name: Andrew Dickey
Occupation: Regional Managing Director – South West, Celador Radio
Other directorships: Celador Radio (South Devon) Limited, 12 Royal York Crescent Management Limited

Andrew's first involvement in radio was at the age of fourteen, when he presented his own show on Radio Warneford at Warwick Hospital. At Newcastle University he ran the student radio station and graduated in English and History.

On leaving Newcastle he moved to Stratford Upon Avon to join local radio station The Bear as a sales executive. As part of his duties, he presented the late show from 10pm to 1am every weekday evening. In 2004 he was approached by Chrysalis Radio for his sales rather than programming skills, to work in Birmingham as Group Co-Funding Account Manager.

In 2007 Chrysalis was acquired by Global Radio and Andrew was promoted to Account Director, being further promoted two years later to run the agency sales team in the West Midlands. In 2011, he won 'Best Business Win' at the annual Global Radio Awards.

The following year Andrew was approached by his largest client, McCann Erickson, to head up its new business team. Working with a group of six, he grew its business by 20% in the first year and was promoted to the board as Chief Growth Officer across the Bristol, Birmingham and Luton offices. Whilst at McCann he was sponsored to complete his Chartered Institute of Marketing professional diploma.

In 2015 he was approached by Celador and returned to the radio industry. As Regional Managing Director for the South West he oversees a portfolio of ten stations, including The Breeze Torbay.

Regional Managing Director

Name: Simon Myciunka
Occupation: Regional Managing Director
Other directorships: None

After a promising football career was cut short by injury (he played professionally for both Bradford City and Nottingham Forest), Simon decided to attend the University of Northumbria where he graduated with a BA (Hons) in marketing management.

In 2004, after a year in the IT consultancy business as sales and marketing manager for Wolf Consultancy, Simon moved into media sales as field sales consultant for BT Directories in Newcastle. He has worked in media sales ever since.

The following year he was headhunted by Chrysalis Radio for a senior account manager position at Galaxy FM in Newcastle and in 2008 was promoted to sales manager. At this time he was managing a team of seven executives delivering £2 million annually in local sales. He remained in this position when Chrysalis was acquired by Global and the station re-branded to Capital FM. During this period he was awarded 'Global Radio manager of the year'.

In 2011, he was promoted to commercial director for Global Radio Newcastle, where he was ultimately responsible for a team of twenty-seven people in both Capital and Heart in the North East, the latter of which he launched in 2014. He undertook responsibility for the commercial operation in the North East and export revenue across Global radio brands, websites and TV channels.

In September 2015, he was recruited by Celador Radio to run the commercial operation in the South of England, becoming responsible for ten stations (seven Breeze, two Sam and Fire Radio). Recent acquisitions have resulted in Simon taking responsibility for the five Anglian Radio stations.

Group Technical Director

Name: Dan Overy
Occupation: Celador Radio
Other directorships: None

When Celador Radio acquired Anglian Radio in January 2015, Dan's career came full circle. Born and raised in Lowestoft, Dan's local station was The Beach and it was here that he first experienced the workings of a commercial radio station. At fifteen he secured a mixture of part-time work, which included presenting a regular Saturday afternoon show, covering swing shifts, reading the news, engineering OBs, producing shows and becoming the go to 'expert' on the early adopted ENCO DAD digital playout system.

At eighteen Dan commenced his tertiary education at the University of Sunderland, where he studied TV and Radio Production and managed the student radio station, Utopia FM. He graduated with a BA Hons.

Following his graduation, Dan was offered a position at Tindle Radio as Technical Support Leader not only for his local station, The Beach but also a portfolio of eight others across the south of the UK and the Channel Islands. During his time at Tindle, Dan was part of the team that built and launched new stations in North Norfolk, Ipswich and Norwich.

Dan joined Celador Radio in 2009, shortly after the company had launched its first station, The Coast. As Celador Radio's longest serving employee, he has seen the company grow from that single station in Southampton to a twenty-six strong group across the south and east of England.

A Cisco CCMA qualified engineer, Dan was responsible for implementing the first IP Studio Transmission Network in commercial radio and the first to introduce multiple site split RCS Zetta playout. He was also involved in a programme of building and acquiring wholly owned transmission sites and running the small scale DAB service for Bristol.

It is perhaps a sign of the importance of technology in modern radio groups and of Dan's pivotal role in our broadcast operations, that in 2014, he was appointed to the Celador Radio Board of Directors.

Non-executive Director

| | |
|----------------------|---|
| Name: | Stephen Dover |
| Occupation: | Non-executive Director |
| Other directorships: | Celador Radio (South Devon) Limited, Devon Radio Limited, Calmwater Yacht Management Limited, Not to Scale Limited, Slumdog The Musical (London) Limited, Slumdog The Musical (International) Limited, Celador Radio (South West) Limited, Celador Radio (BCR) Limited, EMO Partners LLP, Celador Radio (Portsmouth) Limited, Celador Radio (Southampton) Limited, The Breeze Radio Limited, Scouting Book Films Limited, Centurion Films Limited, Descent 2 Films Limited, Descent 2 Distribution Limited, Slumdog Distribution Limited, Slumdog Films Limited, Celador Entertainment Limited, Celador Films Limited, Rainy Puddles Limited, Dirty Pretty Things Limited, Celador Radio Broadcasting Limited, Celador Theatrical Productions Limited |

Stephen has been involved with Celador since the company's inception.

Having qualified as a Chartered Certified Accountant, Stephen set up his first firm, Dover & Co, in 1975. The company specialised in the media sector, dealing with TV and radio production, commercial production, full service advertising and media, digital advertising and marketing and feature film production companies.

In 1979 Stephen took personal responsibility for Dover & Co's appointment as external accountants for the newly formed Celador. At this time Celador was involved with both television production and post production.

He was appointed as a non-executive director with Celador in 1986 and in 2002 left the practice he founded (Dover Childs Tyler, now part of Kingston Smith) to become CEO of Celador Entertainment. During his time as Chief Executive he oversaw the £106m sale of 'Who Wants To Be A Millionaire?' to 2WayTraffic and the sale of Celador's UK television production company to its management.

When Celador Radio was born, with the acquisition of the Solent Regional licence, Stephen became a founding director and has continued to serve and advise Celador Radio over the past nine years.

In the past decade, Stephen has also held non-executive positions with various companies including the award winning International film and animation business Not To Scale, data software company DataShaka, media investment fund EMO Partners, ocean salvage operators Utility ROV and digital strategy company Agenda 21 Digital.

Non-executive Director

Name: Phil Riley
Occupation: Non-executive Director
Other directorships: Koala Limited, Acorns Children's Hospice Trust

Phil started his career in commercial radio in 1980 at BRMB, spending ten years in a number of roles but ultimately as Programme Controller. Whilst at BRMB he managed the successful 1989 launch of XTRA-AM. As Managing Director of Radio Aire from 1990 to 1994, he successfully turned around the Leeds station from near bankruptcy to healthy profitability and was responsible for the highly successful launch of Radio Aire's Magic 828 service.

Phil joined the Chrysalis Group in 1994 and as Managing Director of the radio division, masterminded the launch of both 100.7 Heart fm in the West Midlands and Heart 106.2 in London. He played a major role in establishing Chrysalis Radio as one of the leading new entrants in the UK radio industry and in 1999, was promoted to the role of Chief Executive and joined the parent company board.

In 2007, Phil led the sale of the company to Global Radio, creating a profit on disposal of £95m.

In 2009, backed by Private Equity Company LDC, he formed Orion Media and spearheaded the acquisition of eight AM/FM Midlands licences from Global Radio. He ran the businesses first as CEO and then Chairman, before the sale of Orion to Bauer Media in 2016.

He has now embarked upon a wider portfolio of non-executive/advisory work for media organisations, including acting as Chairman for fast growing Birmingham-based commercial production company Koala TV.

Phil is a Fellow of the Radio Academy and was recently named one of the forty most influential figures in commercial radio's first forty years. In 2014 he was awarded the Arqiva 'Special Award' for his 'outstanding and continuing leadership within the radio industry'.

Phil joined the board of Celador Radio in July 2017.

ii) If there are firm plans to appoint any further directors, provide information (with details of any specific individuals in mind). This information may be submitted in confidence.

There are no plans to appoint any further directors.

(b) Investors and Shareholding Structure

Full details of the shareholding structure should be provided, including:

i) Names and addresses (the latter may be submitted in confidence) of all existing or proposed shareholders.

Celador Radio Limited is a 100% subsidiary of Celador Radio Broadcasting Limited, which is a 100% subsidiary of Celador Entertainment Limited.

The sole shareholder of Celador Entertainment Limited is Paul Smith. His address is supplied in confidence.

ii) Total number, class/classes of shares and issue price of shares (specify voting, non-voting, preference, other etc.).

100,000 ordinary shares of £1 each are in issue to Celador Radio Limited.

iii) All voting shareholders and holders of 5% or more of non-voting shares and loan stock should be named. State the number, class/classes and price of shares to be issued to each investor.

Not applicable.

iv) Outline any shareholders agreements or arrangements which exist.

Not applicable.

v) Where a corporate body other than a current Ofcom licensee will be providing 30% or more of the required funding, details should be given of its directors and main shareholders, and of its activities.

Celador Radio Limited is a current Ofcom licensee.

(c) Involvement of the Applicant in Specified Activities

Details are required of the involvement by the applicant and its participants (including shareholders or other subscribers of more than 5% of the applicant's total funding requirements) in any of the activities listed below, and the extent of the interest. For these purposes, the applicant includes associates of the applicant (i.e. directors and their associates and other group companies).

i) Advertising agencies;

None.

ii) Newspapers;

None.

iii) Other broadcasting interests;

Celador Entertainment Limited is the ultimate parent company for the following Ofcom licence holders:

Celador Radio Limited

AL100717BA/1 (Weston-Super-Mare)
AL100764BA/1 (Portsmouth)
AL000240BA/2 (Bournemouth)
AL100745BA/1 (Basingstoke)
AL100798BA/1 (Cheltenham)
AL101175BA/1 (Southampton)
AL000304BA/4 (Swindon)
AL000248BA/2 (Bath)
AL000302BA/3 (Solent)
AL000241BA/2 (Winchester)
AL000319BA/3 (Bristol & Surrounding Area)
AL000247BA/3 (Bristol)
AL000256BA/2 (Newbury)
AL000260BA/2 (Bridgwater and West Somerset)
AL000146BA/2 (Alton, Petersfield, Haslemere and Bordon)
AL000317BA/2 (Andover)
AL000268BA/2 (Warminster)
AL100272BA/1 (Shaftesbury)
AL000303BA/4 (Torbay)
AL000273BA/3 (Reading)
AL100637BA/1 (Yeovil)

Anglian Broadcasting Company (Holdings) Limited

AL100128BA/4 (Tendring)
AL100585BA/2 (Great Yarmouth & Lowestoft)
AL100586BA/2 (North Norfolk)
AL000300BA/2 (Norwich)
AL000308BA/2 (Ipswich)

iv) Bodies whose objects are wholly or mainly of a religious nature;

None.

v) Bodies whose objects are wholly or mainly of a political nature;

None.

vi) Local authorities;

None.

vii) Other publicly-funded bodies.

None.

2. Financial and business plan

(a) Overall Financial Strategy

Provide a concise (maximum 500 words) summary of how the applicant considers it is able to establish and maintain, throughout the licence period, its proposed service, and how this licence fits in with the investors' strategy.

A sustainable local service for Torbay

The acquisition of what is now The Breeze Torbay follows Celador Radio's clear policy to acquire and operate mainly smaller FM stations. In most cases the stations have sustained substantial and continuing losses and group profitability is achieved through introducing significantly improved programming and management and delivering economies of scale through consolidation and centralisation.

Torbay was our nineteenth licence and the group plan was always to establish a position where we had sufficient stations and population coverage to deliver the scale to profitability. With the most recent acquisitions of Anglian Radio and Jack fm Berkshire the group is twenty-six stations strong and we believe, finally of a size to move into solid profitability.

The Breeze Torbay originally launched in May 2006 as Palm 105.5. Unusually for a small station it had continuity of private ownership until 2013 when Celador purchased Devon Radio Ltd and in so doing, acquired 60% of Palm Radio Ltd and minority shareholdings in Radio's Exe and Plymouth. In August 2014 we purchased the remaining 40% of Palm Radio from local shareholders, becoming 100% owners of the station.

Palm was somewhat of an outlier in commercial radio – a stand-alone station that had a TSA of under 250,000, yet was consistently, albeit modestly, profitable. Following the purchase of the station by Celador, the studios were re-equipped, offices refurbished and new networked mid-morning programming and a live evening show were added to the schedule.

In 2015, over a year after acquiring 100% of the equity, Palm was rebranded as The Breeze. Whilst £70,000 was spent on an extensive outdoor marketing campaign, re-branding inevitably had an adverse impact on audience figures and so now the ongoing process of re-building RAJAR awareness and therefore associated reach, continues. The latest figures show that awareness has increased to 54% (Q1/17) but there is still some way to go. We have budgeted to invest £40,000 each year in marketing and we are confident that this, along with continued commitment to local programming, will ensure solid and sustainable audience growth.

Despite the temporary dip in reach due to the re-brand, the strength of local support means local revenue has actually grown over the past eighteen months, which is testament to Celador's expertise in radio sales and management and our ability to deliver long-term sustainability.

After eleven years of broadcasting to the Torbay area, this is a station that is confident of its place in the community. Thousands come to our annual Party on The Green, our annual Local Hero Awards ceremony recognises outstanding individuals in the community and when Torquay Chamber of Commerce was unable to fund the 2016 Christmas lights, the

station stepped in to underwrite the project. The Breeze Torbay stands as proof of Celador's commitment to local radio and our ability to make small-scale local stations profitable, whilst passionately serving the community.

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(b) Funding

Detail the sources of finance that will be used to fund the licence, under the following headings:

100% of any required funding will be in the form of an interest-free loan from the ultimate parent company, Celador Entertainment Limited.

The loan is repayable only from profits generated by the applicant.

(c) Financial Projections

The purpose of this question is to allow the applicant to demonstrate its understanding of the market. The forecasts should be based on reasonable assumptions, that are logically applied and justifiable.

The applicant should provide financial projections on an annual basis for the licence. The projections must include:

- i) Profit and loss accounts*
- ii) Balance sheets*
- iii) Cash-flow forecasts*

The period covered is at the discretion of the applicant, but should be justified. The forecasts should be supplied on an Excel spreadsheet or similar, with any accompanying guidance notes. The applicant must also complete and submit the spreadsheet entitled "Financial Template" located at: <http://licensing.ofcom.org.uk/radio-broadcastlicensing/analogue-radio/apply-for-licence/re-advertisement/template/> using information from its business model.

This section must include a full listing of the underlying assumptions on which the financial projections are based, relating such assumptions clearly to other parts of the application (e.g. proposed format, extent of coverage area).

The applicant should detail how revenue figures were derived, distinguishing between local, national and sponsorship revenue.

The response to this question may be submitted in confidence.

We have submitted in confidence, actual and forecast accounts for the current year and forecasts for the next three years.

(d) Audience Projections

The *existing licensee* only should answer the following questions:

i) *If you propose to continue, in the new licence period, the same type of programme service as currently broadcast, provide evidence of the listenership attracted by the present service (e.g. from RAJAR);*

We propose to operate the same type of programme service as is currently broadcast.

Having launched in May 2006 as Palm 105.5 the station first published in RAJAR in Q2/2008 with a 12% weekly reach and 7.1 average hours. By the end of 2010 the station had increased its weekly reach to 16% and it hovered +/- 2 points of this figure for the next three years. In 2013 Celador became the majority shareholder and the station grew audience, reaching a high of 21.6% in Q1/2014.

At the end of Q3/2015 a decision was taken to rebrand Palm to The Breeze. Considerable marketing effort and investment has been made in re-building listeners' awareness of the station's brand. RAJAR data indicate that brand awareness has climbed to 54% (Q1/2017), on its way back to its pre re-brand high of 72% (Q3/2015). Our experience highlights the need for continuing stability in the ownership and operation of this station.

The associated impact of the re-brand on reach has seen the station fall to 12.4% weekly reach (27,900 listeners 15+), with 7.7 average hours.

ii) *To what extent do you believe that the potential maximum listenership for your present programme service is already being achieved? Indicate any audience objectives for the new licence period.*

Our independent market research for the application places The Breeze (and Heart) significantly higher than reported in RAJAR. The Breeze recorded a 25% weekly reach in research as opposed to 12.4% in RAJAR. Part of this is likely to be the differing methodology used, as well as limiting respondents to 15-64 year olds, as opposed to RAJAR's universe of all adults 15+.

We recognise the direct correlation between awareness and reach and understand the need to effectively market the station. We have a detailed and continuing plan to increase the awareness of the service and believe that, three years on, we will return to awareness in the region of 70%.

This increased awareness will allow us to drive weekly audience reach back to 18% with 9.0 average hours.

3. Transmission proposals

*The **existing licensee** only should answer the following questions:*

a) Provide details of any substantial alteration you propose to make to your existing transmission arrangements (e.g. proposed relocation of transmission site) for the new licence period.

We do not propose to make any substantial alterations to our existing transmission arrangements.

Section 105(B) and (C): Catering for tastes and interests/broadening choice

4. Format

THE BREEZE (Torbay)

| | |
|----------------|--------------|
| Licence number | AL000303BA/4 |
| Licensed area | Torbay area |
| MCA population | 180,841 |
| Frequency/ies | 105.5 MHz |

Character of Service

| | |
|--|---|
| A FULL LOCAL SERVICE DEDICATED TO LISTENERS IN TORBAY COMBINING A WIDE VARIETY OF CLASSIC AND CONTEMPORARY MUSIC TOGETHER WITH A HIGH-QUALITY, DISTINCTIVE RANGE OF SPEECH AND INFORMATION FEATURES FOCUSED ON MATTERS OF LOCAL INTEREST AND RELEVANCE. | |
| Service duration | 24 hours |
| Locally-made programming | <i>Studio location:</i> |
| | <i>Locally-made hours:</i> At least 7 hours a day during daytime weekdays (must include breakfast). At least 4 hours daytime Saturdays and Sundays. |
| | <i>Programme sharing:</i> |
| Local news | At least hourly during weekday daytime and at weekend peak-time. Outside peak, UK-wide, national and international news should feature. |

Definitions

| | |
|-----------|--|
| Speech | Excludes advertising, programme/promotional trails & sponsor credits |
| Peak-time | Weekday breakfast and drive-time, and weekend late breakfast |
| Daytime | 06.00 to 19.00 weekdays and weekends |

5. Programming Philosophy

a) Explain (*in no more than 500 words*) how your proposed Format will cater for the tastes and interests, general or particular, of persons living in this local area;

A popular music mix with local news and information, presented in an engaging and professional manner.

Music

The Breeze is a station that is driven by music and 68% of respondents to our research said that they want a station that is 'all' or 'mostly' music. Furthermore, the broad variety of tracks featured on The Breeze is a music mix that over half (53%) of all Torbay radio listeners wish to hear.

The most recent RAJAR survey indicates that 12% of respondents tune in to The Breeze each week (growing to 26% over a thirteen-week period) and in our own research, 25% of 15-64 year old respondents declared that they listen each week. Amongst those who had experienced the station, 36% said that the music was 'very much' in tune with their tastes whilst a further 46% indicated it was 'fairly' in tune with their tastes.

News and Information

Torbay is a distinct and largely self-contained market with 85% of jobs in Torbay filled by local residents, which is a significantly higher level of self-sufficiency than other more urban areas such as Plymouth, Bristol and Exeter. This may explain the importance of local news and information to local residents, with 79% stating it is 'very' or 'fairly' important to hear local news and information on their local station. There is also a high demand for local travel news with 73% deeming this to be 'important'. 88% of listeners to The Breeze rate the existing news and speech content as 'fairly' or 'very' good. This is higher than Heart and on a similar level to BBC Radio Devon.

The station addresses the wishes of listeners with one hundred and three unique Torbay travel bulletins and ninety-five local news bulletins written, produced and read from our Torquay studios each and every week.

Presentation

For its entire existence this licence has delivered a breakfast show and a drive time show produced and presented from studios in Lymington Road and this continues and will continue to be the case. At other times, we deliver networked programming from our Southampton studios. However, our sophisticated split networking technology guarantees that during networked programming we are able to and do broadcast Torbay specific links. The change from standalone status to group ownership provides local presenters with significantly greater access to technology, mentoring, training, programme support and many other valuable resources far too costly for a single station operation.

Localness

This is a station that is part of the community, with programming that reflects our support of many regular local events, including the Torbay Half Marathon and the RNLI Torbay Fun Day. We also broadcast live from the Torbay Airshow, the Devon County Show and the Bike Festival on Paignton Green. With our main presenters living in the Torbay area, we are confidently able to reflect the region's busy community life and play our own part by staging local events including our annual Local Heroes Awards and Party On The Green.

[Word count: 495/500]

The **existing licensee** only should answer the following question:

c) Explain (in no more than 400 words) how your proposed Format will cater for tastes and interests different from those catered for by other existing local commercial and community radio services available in this local area.

The Breeze provides a service that is distinctly different in music content, speech output and focus from the other local commercial service, Heart and from the single local community radio service in the area, Soundart.

Music

The largest component of output on both The Breeze and Heart is music. The Breeze's format calls for a 'wide variety of classic and contemporary music' and Heart has an obligation to play 'mainstream popular music'.

More Variety

The Breeze draws from a universe of 758 tracks – almost double that of Heart. The Breeze has a clear (thirteen year) separation from Heart on the year in which the music is anchored.

Music output – size of universe and median year

| | Tracks played | Median year |
|------------|---------------|-------------|
| The Breeze | 758 | 1987 |
| Heart | 423 | 2000 |

Source: Radiomonitor – weekdays 0600-1900 Mon 10 April – Friday 5 May 2017

Low Duplication

The table below shows the overlap of the music library between The Breeze and Heart. The Breeze has clear distinctiveness with more than 80% of its music not played on Heart.

Music output – commonality

| | Tracks | Common Tracks | Overlap% |
|------------|--------|---------------|----------|
| The Breeze | 758 | 139 | 18 |
| Heart | 423 | 139 | 33 |

Source: Radiomonitor – weekdays 0600-1900 Mon 10 April – Friday 5 May 2017

Soundart is a community station with a very specific music brief. Their Key Commitments state that the main types of music broadcast are a variety of genres including 'experimental, contemporary classical, electro-acoustic, traditional, roots, world, dance and urban music, free improvisation and jazz.' These genres are not featured prominently on The Breeze.

News and Speech

The Breeze's focussed (225,000) TSA invariably gives the station a tighter news focus than Heart with its 1,450,000 TSA. In monitoring of news bulletins over a two-week period The Breeze averaged a specific Torbay story every day, whereas Heart only featured the area on a single occasion. The same is also consistent in local traffic and travel, what's ons, listener generated content, sport and commercials.

Soundart has a Totnes only TSA (c. 7,000 Adults 15+) and no obligation to broadcast local news.

Heart News

| | 15/5 | 16/5 | 17/5 | 18/5 | 19/5 | Total |
|---------|------|------|------|------|------|-------|
| Nat/Int | 2 | 2 | 1 | 2 | 1 | 8 |
| Devon | 4 | 2 | 4 | 3 | 4 | 17 |
| Torbay | - | - | - | - | - | - |
| | 22/5 | 23/5 | 24/5 | 25/5 | 26/5 | Total |
| Nat/Int | 3 | 1 | 3 | 3 | 2 | 12 |
| Devon | 3 | - | 2 | 2 | 2 | 9 |
| Torbay | - | - | - | 1 | - | 1 |

Source: Radiomonitor – weekdays 0800 bulletin Mon 15 May – Friday 26 May 2017

The Breeze News

| | 15/5 | 16/5 | 17/5 | 18/5 | 19/5 | Total |
|---------|------|------|------|------|------|-------|
| Nat/Int | 2 | 5 | 3 | 2 | 2 | 14 |
| Devon | 1 | - | 1 | 1 | 3 | 6 |
| Torbay | - | 2 | 2 | 1 | - | 5 |
| | 22/5 | 23/5 | 24/5 | 25/5 | 26/5 | Total |
| Nat/Int | 4 | 2 | 3 | 2 | 3 | 14 |
| Devon | 1 | - | - | - | 1 | 2 |
| Torbay | 1 | 1 | 1 | 1 | 1 | 5 |

Source: Radiomonitor – weekdays 0800 bulletin Mon 15 May – Friday 26 May 2017

[Word count: 369/400]

d) In what ways, if any, are your programme proposals for the new licence period substantially different from the programme service you currently broadcast? Outline the reasons for any such differences from the current service.

Our programme proposals for the new licence period do not differ substantially from the programme service we currently broadcast.

We are aware that the media market is evolving at an ever more rapid pace and we are also mindful of the fact that listeners' expectations and demands change over time. We will continue to monitor, evaluate and improve our output on a regular basis to maintain a service that is both popular and successful.

Section 105(D): Evidence of local demand or support

6. Evidence of Demand

The existing licensee only should answer the following question:

If you propose to alter your existing programme service in the new licence period, outline any way in which findings from any original market research undertaken, or analysis of existing audience research information, have influenced this decision.

We do not intend to alter our existing programme service. We have undertaken independent market research that shows strong approval for the service The Breeze currently provides.

LISTENER RESEARCH

a) Objective:

To explore reactions to and the demand for, The Breeze in the Torbay area.

b) Questions:

Current radio listening behaviour
Favourite and second favourite station
Time spent listening
Preferred station for music
Preferred station for local information
Rating of news and speech by local station
Rating of music mix by local station
Rating of local stations
Preferred music speech balance
Importance of local content
Preferred music mix

c) Methodology:

On street interviews

Fieldwork and tabulation of data was undertaken by Wyman Dillon. They are full members of the Market Research Society and operate in accordance with the MRS Code of Conduct. They have achieved accreditation with the British Standards Institute (BSI) under the Quality Management standard ISO9001:2008 and the Market Research and Direct Marketing standard ISO20252:2006.

d) Sample Size:

500 radio listeners aged 15-64, resident in TQ postcodes.

e) Fieldwork:

May 2017

MUSIC MONITORING

a) Objective:

To obtain and analyse data on the actual output of the existing local commercial radio services in the area in order to establish the extent to which The Breeze would broaden listening

b) Data sought:

Analysis was conducted of music tracks played by Heart and The Breeze.

c) Methodology:

Analysis was conducted to determine levels of overlap between stations in terms of tracks played, music airplay and rotation and era of music tracks

Monitoring was by Radiomonitor, with analysis conducted in house

d) Monitoring periods:

Music output data was gathered for the period 10 April – 5 May 2017 (weekdays 0600-1900)

Summary of the main findings of the research

The Breeze is a popular local service

25% of respondents said that they had listened to The Breeze in the past seven days. Whilst listenership was slightly female biased (55%), there was a consistently strong reach performance across all age demographics:

| | 15-24 | 25-34 | 35-44 | 45-54 | 55-64 |
|---------|-------|-------|-------|-------|-------|
| % reach | 25 | 24 | 27 | 27 | 23 |

The overall reach of The Breeze, when looking at people tuning in over the past three months was 39%.

17% of all respondents stated that The Breeze was their favourite or second favourite station.

50% of listeners to The Breeze said they spent all or nearly all of their listening time with the station.

The Breeze is highly rated for news and speech

Of those who listened in the past three months, 88% rate the news and speech content as 'very' or 'fairly' good. This is equivalent to BBC Radio Devon and slightly greater than Heart.

The Breeze plays a popular mix of music

Amongst listeners to The Breeze, 36% declared the mix of music was 'very much' in tune with their personal tastes. This rose to 82% when including listeners who said the station was 'very much' or 'fairly' in tune with their tastes.

The Breeze provides a service that Torbay residents want

The format delivered by The Breeze measures up to the research. Our station is a mostly music proposition, playing a broad variety from the Sixties to today. We pride ourselves on a well-resourced and well-produced local news service and feature traffic and travel bulletins across weekdays and weekends. Whilst we may include significant sport stories in news bulletins, we do not run any dedicated sports programming.

Our research showed:-

- ✓ 44% of respondents stated they wanted a station that featured more music than speech.
- ✓ 53% of respondents wanted to hear a broad mix of music from many decades.
- ✓ 79% of respondents felt local news was important.
- ✓ 73% of respondents felt travel news was important.
- ✓ 59% of respondents felt sports news was unimportant.

g. Full data tables have been submitted in confidence.

7. Evidence of Support

Summarise (*in no more than 500 words*) any evidence of support for your application from your potential audience or from prospective local advertisers.

We have received considerable support from organisations, advertisers and individuals highlighting the important role that The Breeze plays in the community.

'The Breeze is the voice of the local community and is a fantastic method of speaking directly to the people of Torbay.' Susie Colley, Chair, Torquay Chamber of Commerce

'The Breeze is a really good and reliable local radio station which broadcasts to the areas we want to attract business from.' Susan McAllister, Owner, Devonshire Furniture Company

'The Breeze has had a positive effect on the Torbay area, particularly with the Torquay Christmas Lights as without The Breeze involvement they would not have happened. The Breeze shows a determination to engage with the local community.' Darren Bennett, Senior Marketing Executive, Vospers Motor Group

'We use The Breeze as a marketing partner because they offer better value for money than other media partners, plus we understand as the local radio station that The Breeze engages with their listeners and the local community.' Jan Teague, Communications Officer, Devon and Cornwall Police

'We have been promoting Greycliffe Manor on The Breeze Radio for over four years and find this media reaches the local community, the right age group and the right demographic for our target audience.' David McNulty, Owner, Able Care Group

'We sponsored The Breeze Local Heroes in 2016 and we were so impressed with the engagement with the local community we have agreed to sponsor once again this year.' Kevin Gale, General Manager, Genting Casino Torquay

'Using The Breeze has been essential in communicating with the public, not just to promote the event to drive footfall but to ensure that the right safety messages and transport messages are effectively communicated.' Dani Andres, Plaster Communications for Torbay Airshow

'The Breeze reaches a really influential target audience for us, and South Devon College's focus is on community; we feel the Breeze has a similar approach.' Jess Beadman, Marketing Manager, South Devon College

'We don't just advertise with The Breeze. We liaise with the local team to hold joint community events such as music festivals like Party on The Green. We see our relationship very much as a partnership as we both work closely with the people of South Devon to foster a sense of community and help develop the local economy.' Martyn Strange, Owner, The Babbacombe Inn

'We have supported The Breeze's Local Hero's sponsorship for the past two years which has direct engagement with the local community. The event is well supported by local businesses who in return are supporting local charities and businesses in the Torbay area.'
Lee Tyrell, Owner, The Breakwater Bistro Brixham

'We promote our places with The Breeze as the radio station is perfect for our target demographic who visit our properties across South Devon.' Sabina Collier, Marketing Manager, The National Trust English Riviera

'The Torbay Half Marathon is a community event and we need to get the community connected with the event. With The Breeze we get that connection.' Greg Fines, Race Director, Torbay Half Marathon

[Word count: 500/500]

Declaration

Applicants are required to conclude their submission by responding to the following question:

Do you confirm that, to the best of your knowledge and belief:

- a) the applicant is not a disqualified person in relation to the licence by virtue of the provisions of section 143(5) of the Broadcasting Act 1996 (relating to political objects);
- b) no director or person concerned directly or indirectly in the management of the company or the applicant group is the subject of a disqualification order as defined by section 145(1) of the Broadcasting Act 1996;
- c) no person involved in the application has been convicted within the past five years of an unlicensed broadcasting offence and that the applicant will do all it can to ensure that no person so convicted will be concerned in the provision of the service, the making of programmes included in it, or the operation of a radio station if the applicant is granted a licence; and
- d) any matters which might influence Ofcom's judgement as to whether the directors and substantial shareholders involved in the application are fit and proper persons to participate in a radio licence have been made known to Ofcom?

Yes