An application for the FM local commercial radio licence for Bristol

January 2018
Bristol Sound Limited
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Executive Summary

Bristol Sound welcomes the opportunity to submit this application for an FM local radio licence for Bristol. We first applied for an FM licence for Bristol in 2006 - since then, local commercial radio's share of listening in the city has fallen by a third to just 21.9%, almost a quarter below the UK average of 28.3%.

We are confident we will significantly improve the audience of local commercial radio in this great western city. After seven years on air, the incumbent achieves just 1.5% of listening (Q3 2017 RAJAR) and, self-evidently, fails to cater for local tastes and interests. The Breeze is a radio station for the few, not the many. It is a failed brand in this market.

This is the first competitive FM licence application in a regulatory environment where music formats are likely to become redundant during the licence term, making local content proposals the critical element in how a station caters for local tastes and interests.

Bristol Sound will give listeners what they want; Bristol-led news and information and a classic oldies, broad variety music format. With no existing station playing music exclusively from non-contemporary eras, Bristol Sound will add real diversity to the city's airwaves with a wide variety of hits from the 60s, 70s and 80s. Bristol news content is extremely limited from existing "local" services and, outside of news and travel, we found the incumbent had few local characteristics. Our partnership with South West News Service (SWNS) and our investment in a Bristol based news team gives us a significant local journalistic resource.

Finally, Bristol Sound will add to Bristol's media plurality, introducing a professional, successful competitor, and extending choice for listeners and advertisers. While FM is no longer the sole platform to enter a market, it remains a powerful resource and we will use it to promote our availability on DAB. The reason this licence competition is open is the incumbent's failure to invest in the local DAB platform.

In making this application, we have carefully considered the requirements set out in section 105 of the Broadcasting Act 1990, namely;

a) the ability of each of the applicants for the licence to maintain, throughout the period for which the licence would be in force, the service which he proposes to provide.

Bristol Sound’s parent, Nation Broadcasting, is debt free, cash generative and has launched every station it has been awarded. We are proud of our track record running successful local radio stations that positively serve and promote their communities. Bristol has a relatively uncompetitive commercial radio market and this licence represents a significant opportunity. Our management team has relevant market experience and enjoys existing local advertiser and agency relationships, giving us a strong position from which to compete in Bristol.

b) the extent to which any such proposed service would cater for the tastes and interests of persons living in the area or locality for which the service would be provided, and, where it is proposed to cater for any particular tastes and interests of such persons, the extent to which the service would cater for those tastes and interests.

The incumbent’s continued poor audience performance demonstrates its failure to provide for local tastes and interests. It fails to dominate any of its target demographics, a lack of appeal confirmed in our own market research. With an available 45+ audience in Bristol of over 200,000 there is a viable opportunity for a station serving older listeners.
We will reflect the strong interest shown in Bristol news, weather and travel information - particularly from our 45+ target - to provide a useful local service. Our relationship with Bristol-based SWNS and our investment in a Bristol-based news team means we can provide over 100 news bulletins each week, broadcasting a greater number of Bristol related stories than any other station and catering for this demand. We will also reflect the very strong interest in local weather and travel news, with more bulletins and updates than any other station. We aspire to be Bristol's first choice for local news and information.

Reflecting our research, we will concentrate on those decades that proved most popular – the 60s, 70s, and 80s. We will play exclusively non-contemporary songs. We will also play more unique songs than any other station - something our audience thought important. Such a mix provides real choice since it is unavailable elsewhere in Bristol. The shortage of older music on other stations - from the 60s and 70s in particular - makes us confident we can become the natural destination station for adults aged 45+ in Bristol.

c) the extent to which any such proposed service would broaden the range of programmes available by way of local services to persons living in the area or locality for which it would be provided, and, in particular, the extent to which the service would cater for tastes and interests different from those already catered for by local services provided for that area or locality; and

The current range of stations in Bristol is relatively limited and we will clearly extend listening choice. Heart and Kiss target younger, under 44, demographics; Sam FM provides genre variety with a male oriented rock service and the community stations serve niche and non-mainstream audiences. No current service is aimed at a 45+ audience.

We will focus on a core playlist of popular hits of the 60s, 70s and 80s, providing a unique and exclusively oldies sound in Bristol. Our monitoring confirmed that Heart has recently dropped songs from the 80s. With Bristol notable as one of the few UK cities with no local oldies service - Smooth Radio’s 1260 AM transmitter was turned off in 2016 - there is a significant market gap for a classic oldies service. We will not play any contemporary songs.

Our defining characteristic is our local speech content. With a complete editorial focus on Bristol, offering a clear Bristol voice and personality, we will bring real diversity to the market. Our research confirmed listeners want news from Bristol - not Weston-super-Mare, Bath or West Wiltshire. Heart serves Bristol and Bath, with most of its output from London. Sam FM serves Bristol, Bath and Swindon, with most of its output produced in Southampton, and Kiss produces all of its UK-wide focused output in London.

d) the extent to which there is evidence that, amongst persons living in that area or locality, there is a demand for, or support for, the provision of the proposed service.

A targeted service for adults aged 45+ is distinctive and has strong demand, as demonstrated in our original research and market analysis. There was particularly strong support amongst our target 45+ audience for older music eras – especially the 60s and 70s - and for Bristol centered news, weather, travel and information.

We have received expressions of support from advertisers, businesses and media owners in Bristol and we look forward to working with these stakeholders as we build Bristol’s new local radio station.
General information

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

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.

Bristol Sound Limited

(Certificate of incorporation is included at the end of this application)

(b) Main Contact (For Public Purposes)

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

Name: Jason Bryant
Telephone (daytime): 029 2141 4100
Address: Nation Broadcasting, St Hilary Transmitter, St Hilary, Cowbridge, CF71 7DP
E-mail address: jason.bryant@nationbroadcasting.com

(c) Station Name (if decided)

Bristol Sound

(d) Main Contact (For Ofcom Purposes)

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

This has been submitted in confidence.
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.

Jason Bryant

Executive Chairman
Nation Broadcasting Ltd.

Launch Director
Bristol Sound.

Directorships

Jason founded Nation Broadcasting (formerly Town and Country Broadcasting) in 2001 and has overseen its development from an investment vehicle into a successful, independent media owner with a reputation for delivering high-quality local radio stations. Nation operates nine radio stations with shareholdings in three DAB digital radio multiplex licences and is the lead investor in the world’s largest DAB software business. Jason’s all round experience in programming, commercial and digital make him well qualified to be our launch director.

Martin Mumford

Managing Director
Nation Broadcasting Ltd.

Directorships
Country Broadcasting Ltd, Radioscape Ltd.

Martin has worked in commercial radio for over 20 years, managing stations through launch, early development and turnaround. Martin has a broad operational skillset including programming, finance, scheduling, sales, HR and engineering. Over the past decade, Martin has overseen the launch, acquisition and integration of new businesses into the group and is responsible for the daily oversight and operation of Nation Broadcasting. Martin will ensure Bristol Sound launches on time and on budget and that it takes full advantage of the group’s infrastructure.
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 further directors.

(b) Investors and Shareholding Structure

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

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

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

iv) 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.

v) Outline any shareholders agreements or arrangements which exist.

vi) 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. Ofcom may request additional information (e.g. a banker's letter, statutory/management accounts) regarding the shareholders, or any other providers of finance, listed in the application.

There are 100 ordinary £1 shares issued in Bristol Sound Limited to Nation Broadcasting Limited.

Ofcom holds the details of the broadcasting interests and shareholding structure of Nation Broadcasting Limited.
(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;

ii) Newspapers;

iii) Other broadcasting interests;

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

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

vi) Local authorities;

vii) Other publicly-funded bodies.

* Applicants should note that this information is required for the purposes of checking compliance with the ownership rules, and is not relevant to an applicant’s ability to maintain its proposed service. If none of the categories above apply to the application this should be clearly stated.

**Bristol Sound Ltd is a wholly owned subsidiary of Nation Broadcasting Ltd. Neither company is involved in any activities listed above, save for iii), the Group’s other broadcasting interests, which have been previously declared to Ofcom.**
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.

Cash generative, debt free and with a strong balance sheet, Nation Broadcasting is well placed to launch Bristol Sound. Nation Broadcasting invested in its first local radio licence in 2001 and today operates seven local stations in Wales and two London music services. Our local services compete successfully against Heart, Kiss, Capital and Smooth - the UK’s leading commercial radio brands that serve, or are audible in, Bristol. Our growth has been powered by licence wins, acquisition and strong management. Our track record of successfully launching previous services gives us confidence that we can establish and maintain a new local radio station for Bristol.

Our strategy is to grow our broadcast business by offering listeners strong, local brands that give local advertisers powerful, cost effective marketing solutions. With the UK radio market enjoying record revenues, our industry remains full of opportunity. We are committed to delivering locally produced programming through bespoke, local brands. We believe local content is a competitive advantage and, as the nearest significant market to our existing business, Bristol represents an exciting opportunity and regional base from which to further develop. With economies of scale from our existing back office infrastructure in management, traffic, finance, HR, IT and engineering, we have a strong team already in place. New staff joining our Bristol team can expect an exciting, ambitious workplace environment.

With a management team boasting Bristol experience, existing relationships with Bristol advertisers and agencies, along with existing clients expressing a wish to target Bristol, our station has an excellent head start. Bristol is an economically vibrant, major city with a mature, multi-million pound media market. We understand its significant influence on the wider regional economy and first applied for a Bristol licence in 2006. If successful this time, our contiguous FM regional footprint will exceed 2 million adults (+3M on DAB), making us the second largest local radio operator in Wales and the West.

Commercial radio performs poorly in Bristol with a low audience share relative to the rest of the UK. Our service will cater for local tastes and broaden choice with its Bristol-focused local news and its classic oldies, broad variety music. Our partnership with SWNS, Bristol’s leading news agency, and investment in a Bristol based news and programming team are at the heart of our distinctive programming plans.

Radio consumption is changing and we anticipate the licence period will include digital switchover. If successful, we will use this licence to vigorously promote DAB as we aspire to develop future local DAB services in Bristol. Recent MIDAS listening data shows a continuing migration from analogue, with DAB share growing from 35% in 2014 to 41% and FM falling from 43% to 39%. Ofcom’s 2017 Digital Radio Report confirmed Bristol as one of the UK’s highest DAB penetration and listening areas, making it a logical decision to commit to carriage on the main Bristol multiplex, and also satisfying the significant number in our research who thought it important that their new station is available on DAB.
(b) **Funding**

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

i) Share capital

ii) Loan stock

iii) Leasing/HP facilities (capital value)

iv) Bank overdraft

v) Grants and donations

vi) Other (please specify)

Where relevant, provide information on:

vii) Loan terms (e.g. interest rate, repayment terms, redemption/conversion terms);

viii) Assets leased.

All of the funding identified above should be confirmed to the applicant. Explanation should be provided if this is not the case.

Other than £100 initial share capital, 100% of funding will be in the form of interest-free loans from Nation Broadcasting Limited.

Further information has been submitted in confidence.
(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: https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/apply-for-a-radio-broadcast-licence/timetable-for-analogue-re-ads 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.

**Detailed financial information for the initial three years of operation for Bristol Sound have been submitted in confidence.**
(d) **Audience Projections**

New applicants should provide the following information:

i) The projected adult (aged 15+) population of the Total Survey Area (TSA) within which it is intended to measure the listenership of the service;

The projected adult 15+ population is estimated at 435,874.

In determining this TSA, we considered:

- Bristol postcode analysis of the existing FM signal coverage
- Historical TSA of the licence when a stand-alone, independent station
- Mid-2015 population of Bristol Local Authority, estimated to be 449,300 (ONS)

ii) Projections for listenership ratings (e.g. weekly reach, average weekly hours of listening) over the first three years of the service, with detailed demographic breakdowns as appropriate;

The Bristol market has seen a remarkable change in the past ten years. All radio reach is almost at an all-time high. All commercial reach has also grown, although the outlook for ILR has been considerably poorer, particularly in the past two years where market share for ILR is at a ten year low.

The nature of the Bristol population is also changing and, whilst the area supports more under 45s than over 45s (53% v 47% respectively), the existing local services almost all deliver above average numbers of those aged under 55. The available 45+ audience in Bristol is just under 206,000, representing 47.2% of the city’s population. If we consider that 35-44 audience will also find our service appealing, it adds a further 69,000 potential listeners.

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Adults</strong></td>
<td>435,874</td>
<td>435,874</td>
<td>435,874</td>
</tr>
<tr>
<td><strong>Reach 15+ (000s)</strong></td>
<td>47,960</td>
<td>61,040</td>
<td>74,120</td>
</tr>
<tr>
<td><strong>Reach 15+</strong></td>
<td>11%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Avg. Hours All Adults</strong></td>
<td>5.5</td>
<td>6</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Total Hours</strong></td>
<td>263,780</td>
<td>366,240</td>
<td>459,544</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>45+ Population</strong></td>
<td>205,356</td>
<td>205,356</td>
<td>205,356</td>
</tr>
<tr>
<td><strong>Reach 45+ (000s)</strong></td>
<td>26,858</td>
<td>34,182</td>
<td>41,507</td>
</tr>
<tr>
<td><strong>Reach 45+</strong></td>
<td>13%</td>
<td>17%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: Nation
The age profile has been calculated as detailed above, with the sex profile based on all those at least very likely to listen. If we use this same approach to determine the social class profile, we believe it will over represent ABC1s as it will not accurately reflect the bias of those aged 45+ in the audience, a large proportion of whom will be retired. We have therefore estimated our class profile as being closer to the population as a whole.

The likely audience profile will be as shown in the table below.

<table>
<thead>
<tr>
<th>Population Profile</th>
<th>%</th>
<th>Index On Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>49.6</td>
<td>47</td>
</tr>
<tr>
<td>Female</td>
<td>50.4</td>
<td>53</td>
</tr>
<tr>
<td>15-24</td>
<td>17.4</td>
<td>6</td>
</tr>
<tr>
<td>25-34</td>
<td>19.8</td>
<td>6</td>
</tr>
<tr>
<td>35-44</td>
<td>15.7</td>
<td>14</td>
</tr>
<tr>
<td>45-54</td>
<td>15.4</td>
<td>14</td>
</tr>
<tr>
<td>55-64</td>
<td>12.3</td>
<td>18</td>
</tr>
<tr>
<td>65+</td>
<td>19.4</td>
<td>24</td>
</tr>
<tr>
<td>ABC1</td>
<td>58</td>
<td>60</td>
</tr>
<tr>
<td>C2DE</td>
<td>42</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Nation / ONS

In our market analysis, we have reviewed the performance of The Breeze in the Sam FM TSA, a population currently of some 651,000 (significantly larger than our planned 435,874) and we find the audience delivery is only 39,710 adults, still 21% lower than we are projecting for Bristol Sound in our first year’s performance and with a clearly older targeted format.
iii) The expected impact of the proposed service on existing services, in listenership terms;

We expect our audience to come from the (few) listeners to the current service, in addition to attracting new listeners from a broad range of existing commercial and BBC services. We do not believe they will exclusively come from any single station.

In our experience, listeners will divide their listening time with existing stations in order to accommodate a new service and this switching behaviour is supported in our research.

Of those most likely to listen, we found that an extremely high 48% would spend more time listening to the radio in order to incorporate the new/replacement service. This finding underpins the desire for a more local based service. Reasons for not listening to local services almost entirely focused on the fact that the range of music played was not liked and that in general, these services did not reflect their tastes and interests.

34% would stop listening to an existing service and 12% would listen less. In the case of the former, reach, hours and market share would be impacted, whilst with the latter it would be hours and market share. It would be expected to achieve a net overall gain in total time spent listening to radio at worst, a simple redistribution of existing hours.

Among those who would stop listening to a radio station, the key services impacted would be BBC Radio 2 and Kiss, mentioned by 23% and 22% respectively. Others mentioned BBC Radio Bristol and Heart Bristol, each mentioned by 10%. No other radio station was mentioned by more than 6%.

In the group who would listen less to a radio station, we found a broader range of services mentioned although here we found BBC Radio 1 and BBC Radio 2 along with Heart Bristol, all equally mentioned by 10%. BBC Bristol and Kiss were also mentioned by a comparatively high 8%.

iv) In what way(s) do you expect to achieve an audience which is different in size and/or composition from that attracted by the existing service provided under the licence now being re-advertised? To what extent, and in what ways, do you believe that existing audience figures can be improved upon?

We anticipate achieving a Year 1 performance of 11% reach, rising to 17% in Year 3. These reach targets rise to 13% and 20% respectively in our 45+ target audience.

After seven years on air, the existing service achieves a tiny audience. Its share of just 1.5% makes it one of the poorest performing FM local radio stations in the UK and is, notably, lower than the similarly easy listening DAB only service, Smooth. The Breeze contributes little to commercial radio’s overall poor performance in the market. All ILR substantially underperforms in Bristol, achieving just 21% share, against a national figure of 28%.

If nothing changes, how can the commercial sector ever hope to compete in Bristol?

To gauge The Breeze’s chances of improvement, we looked at its Portsmouth re-application in 2015 where it said; “We do expect to be able to achieve a weekly reach in RAJAR in Year 3 of 18%.” Yet, three years in and the service continues to flat-line at 7%. Similarly, in its Bath application of 2011 The Breeze predicted a reach of 15.6% as “achievable and realistic”. It is nowhere close.
It is a sobering thought that The Breeze is ranked the 13th most popular radio station in the Bristol market, performing less well than BBC Radio 3, Classic FM and the DAB-only Smooth Radio. Self-evidently, it fails to cater for the tastes and interests of the Bristol audience, and, at several points in the day, RAJAR shows that nobody is listening. This isn’t surprising - our original research suggested that 71% of our target audience of 45+ had never listened to The Breeze. Of those who did not listen, almost two thirds did not because they felt it did not cater for their tastes and interest whilst almost half (47%) did not listen because they do not like its music.

The following factors lead us to conclude why we can significantly improve on The Breeze’s performance;

- The strong appeal indicated for our proposed music eras in our market research.
- The strong appeal indicated for Bristol-led speech content in our market research.
- We compete successfully with Heart, the Bristol market leader, in our existing local radio markets.
- Heart Bristol has suffered recent significant falls in audience, yet the incumbent has failed to take advantage of this decline.
- Our existing local stations achieve heavy 35+ listening - we understand the kind of content rich, locally relevant radio that older listeners enjoy and demand.
- Bristol Sound will have 3 times the amount of locally produced programming.
- Our editorial focus and coverage area is just Bristol; the incumbent offers an extended, editorially incoherent region - including Frome and West Wiltshire - and these areas have little affinity with Bristol.
- Our commitment to DAB; research suggests strong support for the new station to be available on DAB. The incumbent’s failure to make itself available on the main Bristol multiplex excludes a large number of potential listeners.
- We will invest in a significant marketing campaign to stimulate awareness and trial of the new service. The Breeze’s awareness remains extremely low, despite operating in the market for seven years.
- Our music has more variety and is founded on the 60s, 70s and 80s. With no analogue oldies station available in Bristol, we believe we can perform well to serve the gap identified in the research and market analysis.
- Our specific audience of 45+ adults makes it easier to target and market our service.

With regards audience profile, The Breeze is a much younger service than Bristol Sound and we anticipate a more balanced sex profile as per the following table. Of the incumbent’s small audience, analysis shows a third is under 35 - well outside its target demographic - and it fails to dominate any of its key demographics.
v) The basis on which the estimates above have been calculated, and any assumptions taken into account.

Our research showed a total of 37% of the total population claimed to be either very likely or would definitely listen to a new local station for Bristol. This figure rises to 77% if we include those who claim to be at least quite likely to tune in on a weekly basis. This indicates a strong desire for a service which has a variety-led musical remit and that values the inclusion of a wide range of Bristol news and information. The detailed findings of the survey combined with our analysis of the market as a whole, including in depth analysis of RAJAR data within the Sam FM TSA, leads us to the conclusion that a service that focuses on the needs of the older 45+ age group is the most likely to deliver sustainable audience levels and thus the best chance of viability.

In estimating likely audience levels, we focused on the sub group who claimed at least to be very likely to listen. We strongly discounted the potential audience for both 16-24 and 24-34 year olds, saying only 20% would tune in. Of the 35-44 age group we took 60% and in the 45+ age group, we took 80%. This methodology recognises that listening will take place in younger than targeted age groups, a factor of listening in home and at work, perhaps when the choice of station is not the recipient’s. It is also true that many young people have a broad taste in music and will enjoy the variety that we propose.

The conclusion of this analysis is that the audience potential is estimated at 22.2%. In projecting audience for the first three years, we have discounted these figures by more than 50% in Year 1 to take into account the need to raise awareness of our new proposition among non and lapsed listeners.

Listening hours have also been derived from the consumer research. Respondents most likely to listen were asked to estimate the average time they would spend listening on a daily basis. Average hours of listening have been estimated through our consumer research that asked respondents to estimate how many minutes per day they would spend listening to a new local station for Bristol. The average per day was 1 hour and 35 minutes and was based on the profile of those most likely to listen. This generates a weekly potential of 11.0 hours per week, which is a long term but achievable target, particularly given that our target audience is traditionally a bigger consumer of radio hours. To be prudent, we have decided to target just over 50% of this in Year 1 (5.5 hours), rising to 6.2 hours in Year 3.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>The Breeze Profile (%)</th>
<th>Bristol Sound Profile (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>13.1</td>
<td>6</td>
</tr>
<tr>
<td>25-34</td>
<td>21.3</td>
<td>6</td>
</tr>
<tr>
<td>35-44</td>
<td>18.7</td>
<td>14</td>
</tr>
<tr>
<td>45-54</td>
<td>13.8</td>
<td>14</td>
</tr>
<tr>
<td>55-64</td>
<td>12.4</td>
<td>18</td>
</tr>
<tr>
<td>65+</td>
<td>13.3</td>
<td>24</td>
</tr>
<tr>
<td>Male</td>
<td>41.1</td>
<td>47</td>
</tr>
<tr>
<td>Female</td>
<td>58.9</td>
<td>53</td>
</tr>
</tbody>
</table>

Source: RAJAR / Nation
3. Transmission proposals

New applicants proposing to use the same transmission site(s) and parameters as the existing licensee should provide the following information:

a) Have you entered into negotiations with the owner/operator of the site(s) regarding arrangements for the new licence period? If so, provide details; if not, state what arrangements are anticipated.

If awarded this licence, we confirm that we will continue the service without interruption from the current site. We have a reference offer from Arqiva for the current transmission site in use for this licence, as below.

<table>
<thead>
<tr>
<th>Site</th>
<th>Purdown</th>
</tr>
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<tbody>
<tr>
<td>NGR</td>
<td>ST 61000 76410</td>
</tr>
<tr>
<td>Tenure</td>
<td>Licensed</td>
</tr>
<tr>
<td>Maximum ERP</td>
<td>650W, (500W vertical and 150W horizontal)</td>
</tr>
<tr>
<td>Site height</td>
<td>91m</td>
</tr>
</tbody>
</table>

We will contract with Arqiva for a Total Broadcast Contract to manage the transmission of the service. Arqiva is an existing supplier delivering transmission infrastructure and support to other radio stations operated by Nation Broadcasting.
Section 105(B) and (C): Catering for tastes and interests/broadening choice

4. Format

**BRISTOL SOUND**

<table>
<thead>
<tr>
<th>Licence number</th>
<th>AL247</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensed area</td>
<td>Bristol area</td>
</tr>
<tr>
<td>MCA population</td>
<td>339,235</td>
</tr>
<tr>
<td>Frequency</td>
<td>107.2 MHz</td>
</tr>
</tbody>
</table>

**Character of Service**

A BRISTOL BASED, NON-CONTEMPORARY MUSIC STATION WITH BRISTOL NEWS AND LOCAL INFORMATION, TARGETING A BRISTOL AUDIENCE AGED 45+

<table>
<thead>
<tr>
<th>Service duration</th>
<th>24 Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally-made programming</td>
<td><strong>Studio location:</strong> Locally-made programming must be produced within the licensed area.</td>
</tr>
<tr>
<td></td>
<td><strong>Locally-made hours:</strong> At least 21 hours per day (must include breakfast and weekend breakfast).</td>
</tr>
<tr>
<td></td>
<td><strong>Programme sharing:</strong> No arrangements</td>
</tr>
<tr>
<td>Local news</td>
<td>At least hourly in daytime weekdays and weekends</td>
</tr>
</tbody>
</table>

**Definitions**

<table>
<thead>
<tr>
<th>Speech</th>
<th>Excludes advertising, programme/promotional trails &amp; sponsor credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peak-time</td>
<td>Weekday breakfast and drive-time, and weekend late breakfast</td>
</tr>
<tr>
<td>Daytime</td>
<td>06.00 to 19.00 weekdays and weekends</td>
</tr>
</tbody>
</table>

**Notes**

This Format should be read in conjunction with Ofcom’s published Localness Guidelines:
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;

Our philosophy is to be distinctive, positive and popular – and always sounding like a radio station for Bristol.

With an available 45+ audience of 206,000, representing 47.2% of Bristol’s population, this market is a clear and viable opportunity. RAJAR suggests the 45+ demographic is seriously under-served by commercial radio. Our research suggests the 35-44 audience will also find our service appealing, adding a further 69,000 potential listeners. (Total Audience - 275K adults). Bristol Sound will cater better than any other station in the market for listeners aged 45+.

Music is a determining factor in radio station choice and our research revealed a clear preference; 74% thought it important to have a broad variety of music. Consequently, we will play more unique songs – 1,000 every week - than any other station. Era is also very important, especially since Bristol is one of the few markets in the UK without an analogue oldies music service. Unsurprisingly, we found a strong appetite in Bristol for music from less contemporary eras, particularly amongst the 45+ audience, and our mix of familiar songs from the 60s, 70s and 80s, will provide for the highest scoring and most in-demand decades.

Our programming proposals considered financial viability and audience tastes and interests. As an established, successful, debt free radio operator, we can afford to invest in our speech content. Research identified that 56% thought Bristol news was important; we will have a clear Bristol voice, character and personality. We will target resources to provide over 100 live and updated local news bulletins seven days a week. Research showed minimal interest in news from other locations - such as Bath, West Wiltshire and Weston-super-Mare - confirming Bristol has a strong sense of its own identity. Travel (66%) and Weather (77%) scored very highly in importance in our target 45+ audience and we will provide for this with over 100 bespoke Bristol weather bulletins, and over 100 Bristol traffic updates each week.

Our commitment to 21 hours a day of local programming, three times greater than the incumbent, is based on what we already provide over the Severn Bridge at Nation Radio. We believe local content is a competitive advantage; just because you are permitted to produce just 7 hours a day of local programming doesn’t mean you are prohibited from being more ambitious.

We have committed the necessary presenter and staff resource to ensure we sound like a Bristol radio station all day. This means we can always attend local events – a key part in any station’s local profile and visibility. 54% felt it important to have “presenters that know and understand the local area” and our Bristol - not Southampton or London - based presenters will be available and accessible to support local community initiatives and our commercial team’s sponsorship and sales activities.

Finally, our company’s stations are always positive about the areas they serve and we plan to introduce a number of our popular station community events to Bristol.
New applicants should answer the following question:

b) Explain (in no more than 600 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, apart from the service currently being provided under the re-advertised licence you are applying for.

After reviewing the formats and key commitments of commercial and community stations, it is clear that Bristol Sound will provide a real choice for Bristol listeners. Heart targets under 44s, Kiss serves under 30s and Sam FM targets 35+ males. Community stations BCFM and Ujima cater for specialist and niche audiences. No station targets a 45+ audience.

Our tight coverage area makes us extremely distinctive; we will be more focused on Bristol than any other service. Editorially, Heart serves the West Country region, including Bath and Weston-super-Mare (TSA 942K). Kiss (TSA 1.6M) is now a national service with no local programming; Sam FM (TSA 539K) is 25% larger and, notably, shares much of its programming with Sam FM Swindon. Our research confirmed minimal interest in news and information from outside of Bristol.

We monitored the music and speech output of the commercial services. It revealed that these larger coverage areas are reflected in their speech content, with Bath and wider West Country news apparent in the bulletins of Heart and Sam FM. Bristol Sound will include a minimum of three Bristol stories in every news bulletin - no other commercial station comes close. Kiss offers no local news, Heart and Sam provide one or two stories but, surprisingly, sometimes there are no Bristol stories in their news bulletins. Neither community station provides any local news.

Local weather and traffic information scored very highly as important in our research, particularly with regards our target 45+ audience, at 77% and 66% respectively. We will satisfy this demand throughout the day with a minimum of two traffic and two weather updates each hour in peak time, and at least hourly in daytime, to give a minimum commitment of over 100 travel and 100 weather updates every week - more than any other commercial station in Bristol. Other stations also mention travel news from a very wide West Country area - we will concentrate on Bristol.

Bristol stands out as a city without a non-contemporary music station, so our proposals for classic oldies is distinctive. Heart’s removal of the 80s as a core decade demonstrates the market has moved considerably younger, leaving older listeners even more disenfranchised. Our target listeners’ musical tastes were defined in their youth – predominantly the 60s, 70s and 80s - and, consequently, these decades will dominate our playlist, and account for three quarters of our music output.

Our median musical year - 1980 - is significantly older than Heart (2006/2000)*, Sam (1985/1987)* and Kiss (2015/2016)*. Our monitoring showed new music dominates the market - we will play just a handful of songs from the 00s and none from the current decade. Sam FM’s distinction is its rock orientation - we will play minimal rock. Elsewhere, the community stations provide specialist music for Bristol’s various ethnic and minority communities.
In terms of variety, we will play twice as many unique tracks of any other station, with our library of 1,000 unique songs comparing with Kiss (501), Heart (395) and Sam FM (490). This delivers the music variety our research demanded. Sam FM and Heart both reduced their universe of songs between our two monitoring exercises.

We will offer triple the amount of locally produced programming than any other station – 21 hours a day made in Bristol, compared with just 7 hours for Sam and Heart. Kiss provides no local programming.

Finally, no other station in the market has Bristol in their name. We do, and we’re proud of it.

*The first year represents each station’s current median year, the second is from our initial monitoring exercise*
Section 105(D): Evidence of local demand or support

6. Evidence of Demand

New applicants should answer the following question:

Summarise the main findings of any original market research undertaken, or any analysis of existing audience research information, which demonstrates a demand for the type of programme service you are proposing to provide.

If original market research has been undertaken, please provide the following information for each piece of research:

a) A statement of the key objectives of the research;

b) The specific questions that the research sought to answer;

c) How the research was conducted;

d) The size and composition of the sample(s);

e) When and where the research was conducted;

f) A summary of the main findings from the research, showing how these demonstrate evidence of demand for the service proposed;

g) Full data tables for any quantitative research undertaken (these may be submitted in confidence).

Please provide your responses to (a) – (e) in tabular format.

Bristol Sound undertook a comprehensive, four stage, programme of research to fully understand the current radio market and the commercial opportunity of a new radio station in Bristol.

1. Desk research to generate an understanding of the Bristol economy and the city’s current local radio provision.

2. RAJAR analysis to understand current listening patterns and where commercial services are currently successful or not in providing for local tastes and interests.

3. Monitoring analysis to listen to the output that existing stations are currently producing for listeners in Bristol and to determine how a new service might perform better in winning a larger audience than the incumbent.

4. Original market research to provide an understanding of local programming needs and audience projections.
We reviewed the formats of the existing ILR services in Bristol. Kiss and Heart both cater for younger, under 44 year old listeners. No station format is aimed at adults aged 45+.

Bristol City Council anticipates significant population growth and a growing economy. There has been a period of unprecedented population growth in Bristol since 2002 and by mid-2027 the local authority is estimated to increase to over half a million residents. CEBR says Bristol's economy grew by 1.9% in the year to June 2017, making it the UK's 8th fastest growing economy, with a value of £13.8 billion.

Our TSA is smaller and more focused on Bristol than any other service. Heart (942K), Kiss (1.6M) and Sam FM (539K) are all considerably larger. The Breeze has conflated a number of smaller licences to generate its regional TSA of 1M.

Aligned with our research findings, we believe a tightly focused, editorially relevant TSA will bring significant audience benefits.

The history of this licence suggests that it performed better as the Bristol-only, variety music station Star Radio. That station achieved a reach of 11% - double that of the incumbent.
**Summary of Findings**

The Breeze is the least popular commercial radio station in Bristol. Of all stations, it ranked the 13th most popular in the market. In the period over which the data was reviewed, that is the past ten years, we note that the population in the Sam FM TSA has increased from 574,000 to 651,000 a growth of some 13.4%.

The total number of radio stations broadcasting within this market is now 48, up from 39 in 2008 and reflecting the various changes in market competition over the past ten years. The Breeze is the poorest performing local commercial service both in terms of reach and market share.

All radio reach, which has consistently been above 90% in recent years, has seen a fall in the past four quarters to 89.9%, albeit that this level is higher than the national average by some 4%, we note that all commercial and ILR perform below network average, in particular in relation to market share some 21% and 23% lower respectively, strongly indicating a lack of satisfaction with the content required to deliver higher hours of listening.
Another way of looking at the comparative strength of all commercial and all ILR in the market is to understand the ratio between reach and share. All commercial achieves a ratio of 57% compared with a network performance of 69%, whilst all ILR performs poorly with a ratio of 46% compared with the network average of 57% indicating the strong impact of national commercial services in the market combined with low traction of local service to offer something compelling to compete.

All local services are biased to C2DEs compared with the population profile.

Three of the four local commercial services are biased toward men compared with the population.

The market leader Heart’s share has fallen from 16% in 2008 to just 9% in 2017. The Breeze over the same period has remained static at 1.7%, and was just 1.5% in the last RAJRAR quarter.

The best performing commercial station in Bristol in the period reviewed has been Kiss, who have moved their reach from 12% to 19%, although we note that their market share has remained static indicating a fall in average hours.

In terms of demographic performance, Heart has almost five times the audience of The Breeze in the core 45+ demographics, despite this being the supposed target segment of The Breeze. In the 45 - 54 demographic, Heart over-delivers in audience reach against the population index, whilst The Breeze underperforms.

Those aged over 45 are poorly served by local stations in terms of the reach profile of the audience delivered. All age groups under 45, almost without exception, are super-served by the local commercial services delivering indices significantly greater than their share with the population as a whole.

RAJRAR analysis was vital in understanding the overall competitiveness of the market, how poorly the incumbent performs and obtaining evidence that older audiences, especially those aged 45+, in Bristol are currently underserved by commercial radio in the city.
Music Monitoring

<table>
<thead>
<tr>
<th>a) Key objectives of the research</th>
<th>To analyse, quantify and understand the music output of existing local commercial radio services in Bristol and to establish the extent to which Bristol Sound would broaden listening.</th>
<th>To ensure that our proposals would broaden listening choice when and if we are successful.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b) Specific questions that research sought to answer</td>
<td>Analysis was conducted to determine the number of unique tracks played by each station, to determine the era/decade mix of songs and the level of overlap of tracks played. Also to understand the existing music genres in the market. A second study was undertaken to determine if Heart had changed its music policy.</td>
<td></td>
</tr>
<tr>
<td>c) How research was conducted</td>
<td>Data was derived from Radiomonitor and collated and analysed by Nation Broadcasting’s programming management team.</td>
<td></td>
</tr>
<tr>
<td>d) Size and composition of the sample</td>
<td>Music output data for Heart, The Breeze, Kiss and SAM FM was gathered over two seven day periods across 24 hours.</td>
<td></td>
</tr>
<tr>
<td>e) When and where research was conducted</td>
<td>Monday 23rd October - Sunday 29th October 2017. Wednesday 28th December 2017 - Wednesday 3rd January 2018.</td>
<td></td>
</tr>
</tbody>
</table>

Full data tables have been submitted in confidence.

Summary of Findings

The Bristol market is considerably weighted to contemporary and recent eras. 45% of the total universe of songs played on commercial radio are from 2000 onwards, with 61% being from the 90s onwards. Just 16.5% of songs are from the 60s and 70s.

Heart’s removal of the 80s as a core decade opens a significant market gap. It leaves older listeners more disenfranchised, particularly considering the strong appeal of this decade in our consumer research. Bristol Sound will play more than double The Breeze’s number of songs from the 60s and 70s, and overall, three quarters of our music will come from the 60s, 70s and 80s.

With our median year of music being 1980, we will be the oldest targeted music station in Bristol. Heart (2006), Sam (1985) and Kiss (2015) all play a considerable amount of contemporary and recent music. These median years are taken from our second monitoring exercise when Heart had moved considerably younger. We will clearly be older than The Breeze’s current output and we will play considerably more songs in our repertoire from the 60s and 70s. If successful, Bristol Sound will play four times as many songs from these decades as any other station, reflecting the findings in our research.
Sam FM is clearly rock orientated and offers additional genre variety in the market.

Overall, monitoring revealed a significant lack of older, non-contemporary music available on existing commercial stations in Bristol for the 45+ audience. There was a particular lack of songs from the 60s and 70s and it indicated there is a significant market gap for a new station targeting older listeners.

The tables below record the era of all songs played across a week of commercial stations in the Bristol market.

We undertook our original monitoring in October 2017 but decided to carry out a further monitoring exercise when we noticed that Heart had dropped the 1980s as a core music decade just before Christmas. The second monitoring confirmed that this was the case.

<table>
<thead>
<tr>
<th></th>
<th>No. Unique Tracks</th>
<th>10s - Now</th>
<th>00s</th>
<th>90s</th>
<th>80s</th>
<th>70s</th>
<th>60s</th>
<th>Median Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breeze</td>
<td>644</td>
<td>45</td>
<td>76</td>
<td>101</td>
<td>248</td>
<td>139</td>
<td>35</td>
<td>1985</td>
</tr>
<tr>
<td>Heart</td>
<td>564</td>
<td>166</td>
<td>121</td>
<td>133</td>
<td>137</td>
<td>7</td>
<td>0</td>
<td>2000</td>
</tr>
<tr>
<td>Kiss</td>
<td>480</td>
<td>363</td>
<td>84</td>
<td>33</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2016</td>
</tr>
<tr>
<td>Sam FM</td>
<td>603</td>
<td>24</td>
<td>110</td>
<td>105</td>
<td>241</td>
<td>102</td>
<td>21</td>
<td>1987</td>
</tr>
<tr>
<td>Bristol Sound</td>
<td>1,000</td>
<td>0</td>
<td>100</td>
<td>150</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>1980</td>
</tr>
</tbody>
</table>

Source: Radio Monitor / Nation - 23 October - 29 October 2017

<table>
<thead>
<tr>
<th></th>
<th>No. Unique Tracks</th>
<th>10s - Now</th>
<th>00s</th>
<th>90s</th>
<th>80s</th>
<th>70s</th>
<th>60s</th>
<th>Median Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breeze</td>
<td>719</td>
<td>58</td>
<td>77</td>
<td>92</td>
<td>267</td>
<td>168</td>
<td>57</td>
<td>1984</td>
</tr>
<tr>
<td>Heart</td>
<td>395</td>
<td>151</td>
<td>105</td>
<td>127</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>2006</td>
</tr>
<tr>
<td>Kiss</td>
<td>501</td>
<td>374</td>
<td>97</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2015</td>
</tr>
<tr>
<td>Sam FM</td>
<td>490</td>
<td>19</td>
<td>68</td>
<td>82</td>
<td>197</td>
<td>103</td>
<td>21</td>
<td>1985</td>
</tr>
<tr>
<td>Bristol Sound</td>
<td>1,000</td>
<td>0</td>
<td>100</td>
<td>150</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>1980</td>
</tr>
</tbody>
</table>

Source: Radio Monitor / Nation - 28 December 2017 - 3 January 2018

Finally, with regard to music variety, we noticed that the current stations play a limited number of unique tracks. It was noticeable that both Heart and Sam FM had a reduced universe of songs in our second period of monitoring. Bristol Sound, with at least 1,000 unique tracks each week, will have at least twice the variety of musical tracks than any other station in the market. We will provide close to an additional 30% of unique songs each week than the incumbent, respecting the audience demand shown in our consumer research for a broad variety of music.
## Content Monitoring

<table>
<thead>
<tr>
<th><strong>a) Key objectives of the research</strong></th>
<th>To analyse, quantify and understand the news, information and local speech content of existing local commercial radio services in Bristol and to establish the extent to which Bristol Sound would broaden listening.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>b) Specific questions that research sought to answer</strong></td>
<td>See above.</td>
</tr>
<tr>
<td><strong>c) How research was conducted</strong></td>
<td>Data derived from Radio Monitor; collated and analysed by Nation Broadcasting programme management.</td>
</tr>
<tr>
<td><strong>d) Size and composition of the sample</strong></td>
<td>Speech content from Heart, The Breeze, Kiss and SAM FM (between 06.00 and 19.00) was monitored over a 7 day period.</td>
</tr>
<tr>
<td><strong>e) When and where research was conducted</strong></td>
<td>Monday 16th October - Sunday 22nd October 2017.</td>
</tr>
</tbody>
</table>

Full data tables and narrative have been submitted in confidence.

## Summary of Findings

We monitored and analysed the speech output of the commercial services. All current stations include areas other than Bristol in their speech content. Bath, Weston-super-Mare and wider West Country news is included in the news bulletins of Heart, Sam FM and The Breeze. Bristol Sound will include a minimum of three Bristol stories in every news bulletin, in contrast to Kiss who provide no local news. We will also exceed the Bristol news content of Heart, Sam and The Breeze who have just one or two Bristol stories in each bulletin. News bulletins were half hourly in peak time and hourly during the day.

On all three services, some bulletins had not a single Bristol news story. News stories are also generally only updated once or twice a day, with many bulletins sounding identical. We view this as a major opportunity to build an audience and also to perform better than the incumbent. Neither community station provides any local news.

Kiss has no Bristol content. All other stations use “split links” to give the impression of locality when they are originated from London or Southampton. Despite this, there was a noticeable lack of Bristol content and characteristics, particularly in daytime. General presenter links mainly consist of talking about the music, entertainment, showbiz, and sponsorship reads not specific to Bristol. Listener texts did not mention any listener locations.
Generally, news bulletins were of 90 or 120 seconds on the hour and around 60 seconds on the half hour. This does not allow for the breadth and range of local and national stories that Bristol Sound will offer. In line with our research findings, we found our target audience are more interested in UK national news, local sport, local “what’s on” and opportunities for local people to get their voices and opinions heard, than in news for Bath, Wiltshire or Weston-super-Mare. We consider that news bulletins will need to be at least double this length in duration to offer listeners the local news they demand. Our relationship with SWNS and our journalistic resource will give us the capacity to provide more Bristol news than any other service.

Travel news across all stations prioritise the M5/M4 but there were also mentions for distant towns such as Frome. Our travel news will focus on Bristol and the immediate surrounding area only, and will be provided by Bristol based INRIX.

Original Market Research

<table>
<thead>
<tr>
<th>a) Key objectives of the research</th>
<th>To gain an understanding of local opinions, listening behaviour and preferences in Bristol. To discover the extent to which listeners are satisfied with existing services. To discover the extent that Bristol Sound might better serve local tastes and interests. To understand the likely audience of a new station for Bristol.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b) Specific questions that research sought to answer</td>
<td>Local station awareness and frequency of listening. Current listening. Reasons for not listening to named local radio stations. Platforms used to access radio stations. Importance of features for a new local radio station. Propensity to listen to a new local radio station. Impact of a new local radio station on current radio listening patterns.</td>
</tr>
<tr>
<td>c) How research was conducted</td>
<td>Quantitative research conducted by research company CLG Market Research UK using fully trained interviewers operating under the MRS code of conduct. All data collected in face to face street interviews across the proposed Bristol Sound TSA to provide a representative sample of the population.</td>
</tr>
<tr>
<td>d) Size and composition of the sample</td>
<td>419 interviews with adults 15+. Quotas were applied to control demographics, gender and status based on the known profile of the proposed licence area. We conducted 419 face to face street interviews amongst the target population living in 25 sampling points representative of the area. This provides a sample that has significance to +/- 5%.</td>
</tr>
<tr>
<td>e) When and where research was conducted</td>
<td>Survey conducted between 13th November and the 5th December 2017. Sampling points and sample size, detailed below, were selected to be representative of the licence area with interviews controlled by day of week to ensure a broad spread of listening behaviour.</td>
</tr>
</tbody>
</table>

Full data tables have been submitted in confidence.
Original market research was essential to review current listening behaviour, why listeners did not listen to existing services and to determine the programming elements they most demanded on a new local radio station.

**Summary of Findings**

Almost two thirds, 65% of adults have never listened to The Breeze. Among our core target of 45+ this rises to 71%.

23% of all respondents used to listen to The Breeze but have stopped listening. 10% of our 45+ audience have stopped listening to the service.

Our target audiences are keen listeners of BBC Radio 2, more than half - 52% - listening and to BBC Radio 4, 25% and to Smooth Radio, 17%.

44% - greater than any other service - said they do not listen to the incumbent as it does not cater for their tastes and interests. This increased to 65% of our core 45+ audience.

44% (47% of our core 45+ audience), said they did not listen to The Breeze because they do not like the music it plays.

56% of our 45+ target audience thought Bristol news was important, but only 3% felt the same about Bath, and 4% about West Wiltshire news, and 17% about Weston-super-Mare. Overall our audience want local Bristol news, regular national news and in particular regular weather news. It is also very important that presenters know and understand the area.

Of our target audience, 77% wanted regular weather news and 66% regular local traffic information. 41% thought it important there were opportunities for local people to get their thoughts and voices heard.

35% say they listen to the radio on DAB - a figure that rises even higher with our core 45+ audience to 42%. There was a strong desire for the new service to be available on DAB.

The 45+ audience is most interested in a new radio service playing a broad variety of music, and we will ensure there is a very strong emphasis on the 60s, 70s and 80s since these decades performed particularly strongly. Current eras performed less well, and we have reflected this in our programming proposals.

The research highlighted that just over three quarters, 77% of the population would be at least quite interested in a new local station for Bristol with more than a third at least very likely to tune in. The results also underpinned that this service would be highly likely to attract strong listening loyalty with higher than expected average hours of listening planned.

The findings highlighted that a new service would primarily serve to increase the amount of time they spend listening to the radio, a finding which is encouraging given commercial radio and ILR’s below average performance in the Bristol market.

All local services scored below the national average for listening in the home and, without exception, above average for listening at work, this was particularly true of The Breeze which is not available on the main Bristol DAB multiplex and this potentially reduces its at home listening levels.
7. Evidence of Support

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

Bristol Sound has discussed its plans with a number of Bristol agencies and advertisers and their positive response is indicative of the strong support we have generated for our proposals.

“It sounds exciting. If Nation bring the same professionalism, creativity and attitude to help grow their clients’ businesses to their new venture in Bristol as they have in their other operations, there will be lots of opportunities for businesses and organisations across Bristol.”

- Owain Cassidy, Head of Marketing and Development Bristol Zoological Society

“We have several group businesses operating in Bristol and I’d be keen to discuss options to emulate the success we’ve achieved with Nation ... we attract a decent number of customers from over the bridge and I very much expect this to increase as the Severn Bridge tolls drop.”

- Mark Pardoe, Managing Director, Griffin Mill

“I'm pleased that you're choosing to expand to Bristol and I'm happy to support your application.”

- Chris Birch, Chief Executive, The Apollo Group

“We have an excellent relationship with Nation Broadcasting which has developed over many years and are excited to hear about their plans to bid to operate a licence in Bristol. We support their efforts to extend their coverage into this region.”

- Jac Bowen, Marketing Manager, Trade Centre Wales

“It’s clear after hearing your plans and discussing them with you over a number of months that your proposed radio station for the city will offer Bristol a local radio service which currently isn’t on offer.”

- Chris James, Group Head of News & Production, Made TV

“Congratulations and I wish you good luck in your application for Bristol. I am very pleased to support this application for Bristol Sound.”

- Andrew Dillon, Director, Midas Lettings, Bristol
“The SWNS Media Group supports a diverse and independent local broadcast media, and welcome more choice for the people of Bristol.”

- Paul Waters, Group Managing Director, SWNS Media Group

“Just a quick note to wish you luck in your application for Bristol Sound.”

- Phillip Clark MLIA (d.i.p) Bristol Mortgages Online

“As a media agency representing many local and regional clients, Bristol Sound will fill a part of the broadcast market not fulfilled by the incumbent station. Nation’s investment in broadcasting regular local news, weather, travel and events information will resonate with listeners give more choice for advertisers.”

- Jim Carpenter Business Development Director Orchard Media

“As Wales’ largest Motor Group, we are now seeing consistent and significant increases to our customer base located within the Bristol area and would be confident that Nation Broadcasting would deliver an effective media platform to help further promote our services.”

- Dean Adams, Head of Marketing, Sinclair Group

“We will be looking at opening new stores in Bristol so this is great news”.

- Clayton Perrett, Director, Discount Pram Centre

“I wish you good luck in your application for Bristol and I’m pleased to support your application.”

- Tim Ellis, Managing Director, Urpad Investments, Bristol
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?

Applicants should note that Ofcom reserves the right to revoke a licence if at any time any material statement made is found to be false and to have been made by the applicant or any member or officer thereof knowing it to be false, and that in the circumstances of section 144 of the Broadcasting Act 1996, the provision of false information or the withholding of relevant information with the intention of misleading Ofcom could incur a criminal conviction and a disqualification from the holding of a licence.

Bristol Sound Limited confirms there are no issues with regards to the above matters that need to be brought to Ofcom’s attention.
CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME

Company No. 5388776

The Registrar of Companies for England and Wales hereby certifies that

RADIO SHREWSBURY LIMITED

having by special resolution changed its name, is now incorporated under the name of

BRISTOL SOUND LIMITED

Given at Companies House, Cardiff, the 16th May 2006

*C05388776F*