

Commercial radio licence award: Bristol (106.5 FM)

Statement

Summary

The fully re-advertised FM local commercial radio licence for Bristol has been awarded to Celador Radio Limited. Two applications were received:

- Celador Radio Limited ('Sam FM', the incumbent licensee)
- Bristol Sound Limited ('106.5 Jack FM Bristol')

The reasons for this licence award are set out in the statement below.

Bristol licence award decision

Ofcom¹ considered the two licence applications against the four statutory local commercial radio licence award criteria specified in section 105 of the Broadcasting Act 1990, which are set out in full in the second part of this statement.

In assessing the ability of the applicants to maintain their proposed services, the decision makers noted that Sam FM is financially self-sufficient and is a net contributor to its parent company, Celador Radio Limited. While the station projected fairly ambitious growth in listening hours and revenues in its business plan, the relatively stable cost base means that Sam FM is likely to remain profitable even if the audience targets are not met. Sam FM has recently become available on the Bristol and Bath DAB multiplex, which we considered important in growing the audience, given the unusually high percentage of DAB listening in the Bristol market (45.2% compared to the UK average of 38.1%²).

In assessing the extent to which the applicants would cater for the particular tastes and interests and broaden choice for those living in the licensed area, the decision-makers noted that Sam FM is currently listened to each week by 12% of adults³ in its RAJAR survey area. Although the station shares its programming hours with the neighbouring Sam FM Swindon licence, we recognised that Celador provides bespoke local news, weather, travel, sport and what's on bulletins for the two licences, and there are also some 'split' presenter links at breakfast and drivetime to deliver Bristol-specific content. It was also felt that Sam FM's 'adult alternative' Format, which includes commitments to play classic rock and album tracks that have not been hit singles, was clearly distinct in the local Bristol analogue radio market from Heart's 'mainstream popular music', Kiss's 'contemporary and classic dance music' and The Breeze's 'easy listening' formats. Furthermore, the distinctiveness of Sam FM's music offer was well supported by independent music monitoring undertaken on behalf of the applicant.

In considering the extent to which there was evidence of demand or support for the applicant's proposals, we noted that Sam FM's quantitative market research showed that 88% of respondents in the station's target age categories who had listened to Sam FM within the past three months said that the station music mix was "very much" or "fairly" in tune with their music tastes (this was a higher figure than for Kiss, Heart or The Breeze). The broad span of musical eras which Sam FM plays was also well supported by the research, albeit that the appeal of 'adult alternative' relative to other potential music formats was not tested.

¹ This decision was taken by Ofcom executives under delegated authority from the Ofcom Board. They are referred to in this statement as the "decision makers".

² Source: RAJAR Q3 2018 in Sam FM Bristol TSA

³ RAJAR Q3 2018

Statutory requirements

The section below sets out the statutory requirements relating to analogue commercial radio licensing. The public versions of the two applications can be found at:

<https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/radio-licence-awards-process>

Statutory requirements relating to the specific local licence award criteria

In considering the applications it receives for local commercial radio licences, Ofcom is required to have regard to each of the statutory criteria set out in section 105 of the Broadcasting Act 1990. These are as follows:

- (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;
- (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;
- (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
- (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.

The legislation does not rate these requirements in order of priority, but it may be that Ofcom will regard one or more of the criteria as being particularly important in view of the characteristics of the licence to be awarded and the applications for it.