

Format Change Request Form OfW 332

Station Name:	102.2 Smooth FM
Name of Person Proposing Format Change:	John Myers Chief Executive GMG Radio
Outline Format Change(s) Proposals:	TO BECOME AN EASY-LISTENING STATION FEATURING LIFESTYLE ORIENTATED SPEECH TARGETING AN AUDIENCE AGED 50 PLUS INCLUSIVE OF 45 HOURS OF SPECIALIST JAZZ PROGRAMMES. INCREASING WEEKDAY NEWS PROVISION FROM THE CURRENT FORMAT REQUIREMENT OF 6 BULLETINS TO 18 BULLETINS PER DAY AND INCREASING LOCALLY PRODUCED PROGRAMMING FROM 6 HOURS PER DAY TO 18 HOURS A DAY.

Operators of analogue local radio licences may apply to Ofcom to have the station's Format amended. Any application should be made using the layout shown on this form, and should be in accordance with Ofcom's published procedures for Format changes (available on our website).

Under section 106(1A) of the Broadcasting Act 1990 (as amended*), Ofcom may consent to the change only if it is satisfied that *at least one* of the following four criteria is satisfied:

- (a) that the departure would not substantially alter the character of the service;*
- (b) that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living in the area or locality for which the service is licensed to be provided;*
- (c) that the departure would be conducive to the maintenance or promotion of fair and effective competition; or*
- (d) that there is evidence that, amongst persons living in that area or locality, there is a significant demand for, or significant support for, the change that would result from the departure.*

Only one of these four criteria need be satisfied in order for Ofcom to consent to the proposed change. However, Ofcom is under no obligation to give its consent, even if it is of the opinion that the proposed change satisfies one or more of the statutory criteria.

In addition, applicants should note that, under section 106ZA of the same Act (as amended*), a proposed change that *does not* satisfy the first of these criteria (i.e. a change that Ofcom considers *would or could* substantially alter the character of the service) must, if it is to be considered further, be consulted upon, irrespective of whether it may satisfy any of the other three criteria #.

In the event that Ofcom receives a request for Format change and considers that criterion (a) is *not* satisfied, it will seek confirmation from the applicant as to whether it wishes to proceed with the request (and, if so, whether it wishes to amend or replace its submission in light of the necessity to make it public).

Please present your submission in the following manner:

Section 106(a) relevance...

We do not believe that the changes we are advocating substantially alter the character of service for Smooth FM, which already delivers an older audience profile than the majority of stations in London. We will maintain our specialist jazz music requirement (45 hours per week), including jazz standards, traditional jazz, modern jazz, and contemporary jazz and maintain its distinctive musical proposition. The overall musical character of the station will still be broadly drawn from Jazz, Soul, Blues and R&B, but would be broadened to allow the station to APPEAL TO AN OLDER AND UNDERSERVED audience.

Section 106 (b), (c) and (d) relevance...

The London Market

GMG does not believe that the changes that are proposed in the revised format would narrow the range of programmes available in the London market, in fact we believe the reverse is true leading to even more diversity of programming, giving us a clear distinction between Smooth FM and the other music based commercial stations. We have carried out a detailed monitoring exercise to determine the musical overlap primarily between Smooth FM and Capital Gold, Magic FM, and Heart FM which demonstrates the current musical overlap between these stations and more importantly the lack of musical overlap that exists under our proposed output. This information has been made available separately to Ofcom. We would also maintain our provision of **45 hours** of specialist Jazz programming per week, which is clearly not available on any other commercial station.

These are the five main commercial competitors which, along with Smooth FM and LBC 97.3 FM, account for a 70% reach of the commercial audience in London aimed at 25 –54 year olds.

MAGIC 105.4

MAGIC IS AN EASY-LISTENING SOFT MUSIC-LED SERVICE AIMED AT THE MORE MATURE LONDONER (AT LEAST OVER 35) AND DISTINCTIVE FOR ITS RELAXED AMBIENCE.

HEART 106.2

A MELODIC ADULT CONTEMPORARY MUSIC-LED SERVICE **FOR 25 to 44 YEAR-OLD LONDONERS**, SUPPLEMENTED WITH NEWS, INFORMATION AND ENTERTAINMENT. THE SERVICE SHOULD HAVE PARTICULAR APPEAL TO PEOPLE IN THEIR 30s.

VIRGIN FM

VIRGIN IS A ROCK-ORIENTED STATION COMBINING NEW MUSIC WITH CLASSIC ALBUM TRACKS AIMED AT **25-44 YEAR-OLD LONDONERS**.

CAPITAL RADIO

CAPITAL RADIO IS A CONTEMPORARY/CHART MUSIC-LED SERVICE **FOR UNDER 40's IN LONDON**.

CAPITAL GOLD

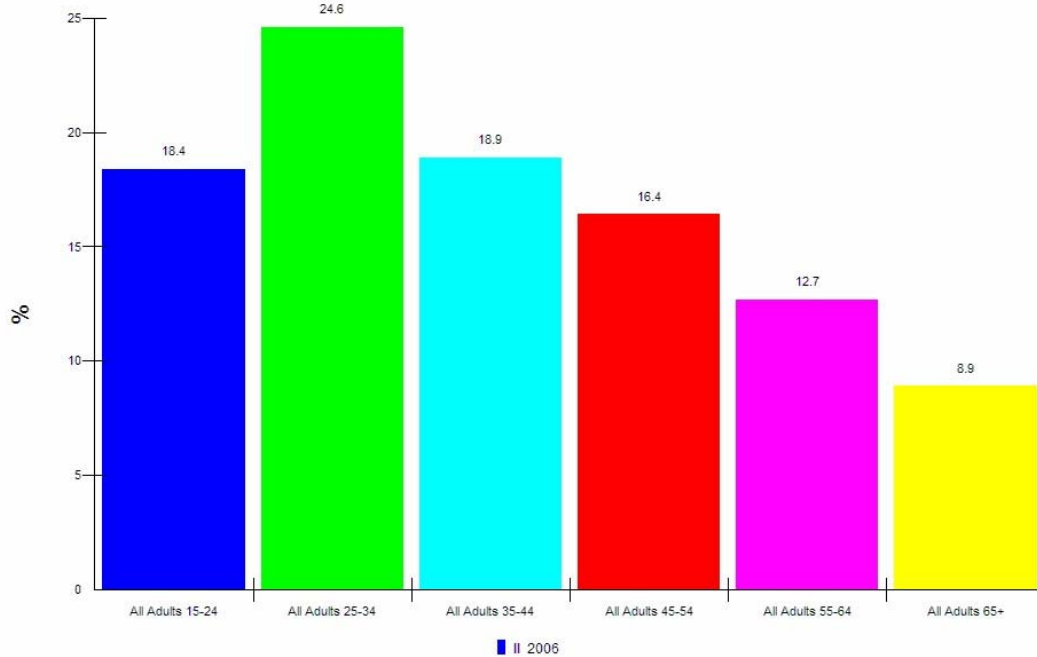
A CLASSIC POP HIT-LED SERVICE TARGETED PRIMARILY AT **35-54 YEAR-OLDS** IN THE LONDON AREA.

By including all the stations that clearly target all under 50's in the London market this becomes more accentuated. If you were to include Kiss FM, XFM, and Choice FM **93.5% of the London commercial radio market would reach people under the age of 50.**

The population profile in London based on the latest Rajar data for Q2 2006 highlights a profile of **over 3 million Londoners over the age of 55, which represents 28.5% of the population.**

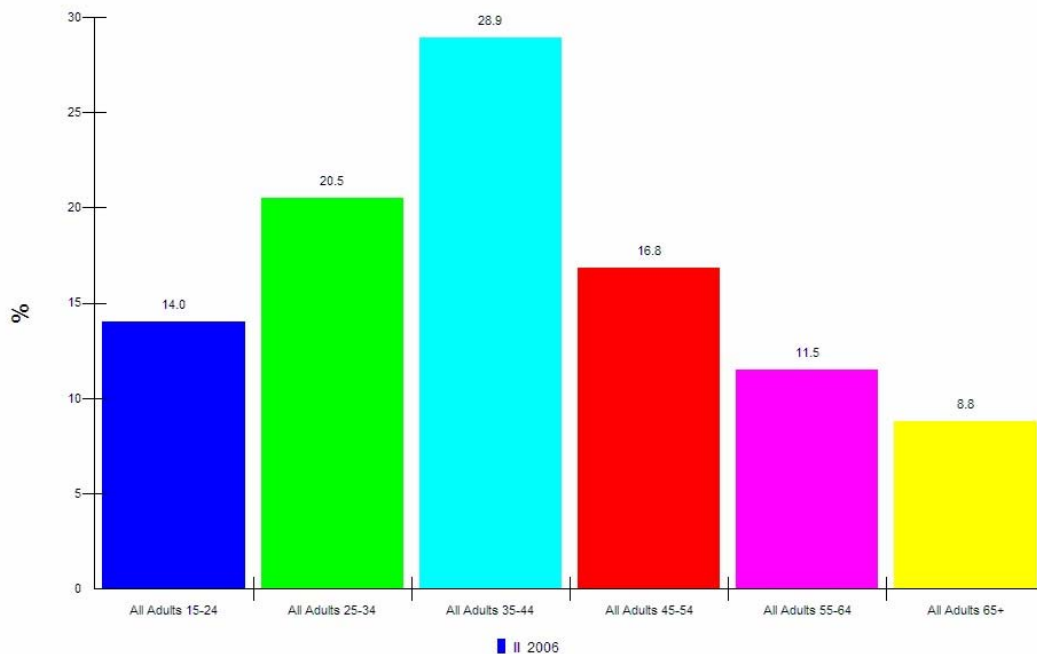
The station which is closest in format to the older listener is undoubtedly Magic 105.4 but as can be seen from the chart their biggest reach profile is actually in the 25-34 age range with 24.6 % of its audience attributable to this younger profile and a decreasing profile as the age range increases.

Reach Profile - MAGIC 105.4



As we have already highlighted, the profile of Smooth FM is already older than Magic in London as can be seen in the chart below, centred around the 35-44 age range with almost 30% in this older segment and then 37% aged 45+ which would result in a relatively easy move to the underserved 55+ age group.

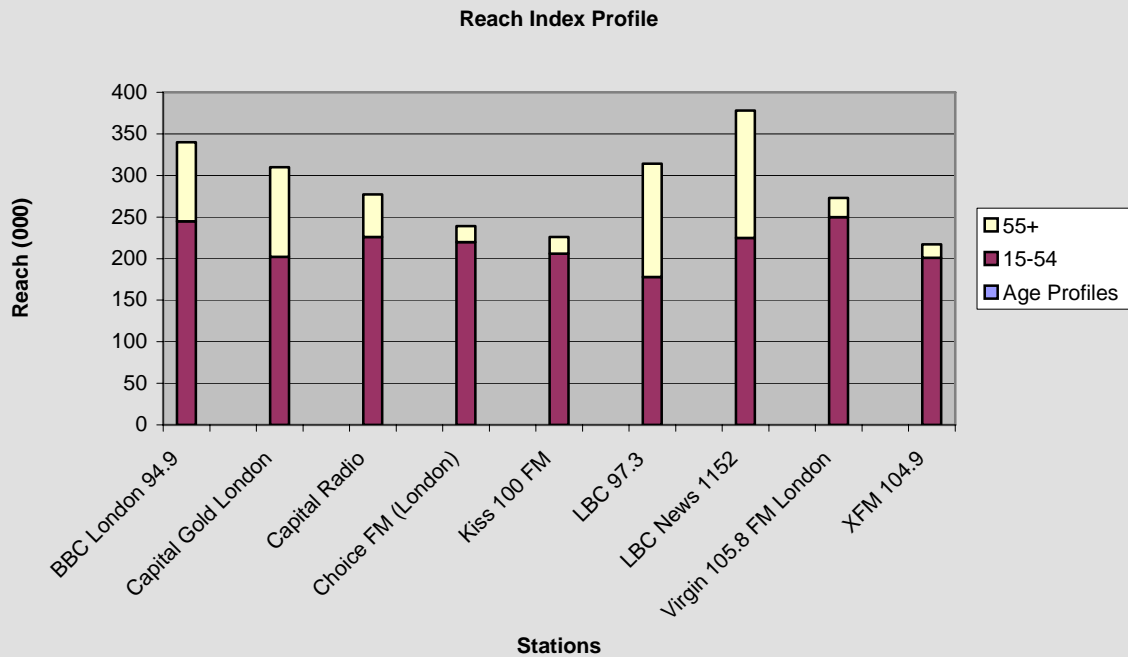
Reach Profile - SMOOTH FM (LONDON)



The rest of the stations in the London market give a poor service to the 55+ age group with only the two LBC all-speech services delivering notable audience in this older area. Capital Gold with BBC London highlight an even smaller profile, however, what is clear is that all these stations have far more 15-54 year old listeners. Clearly, 3 million older radio listeners are not being served in the London market.

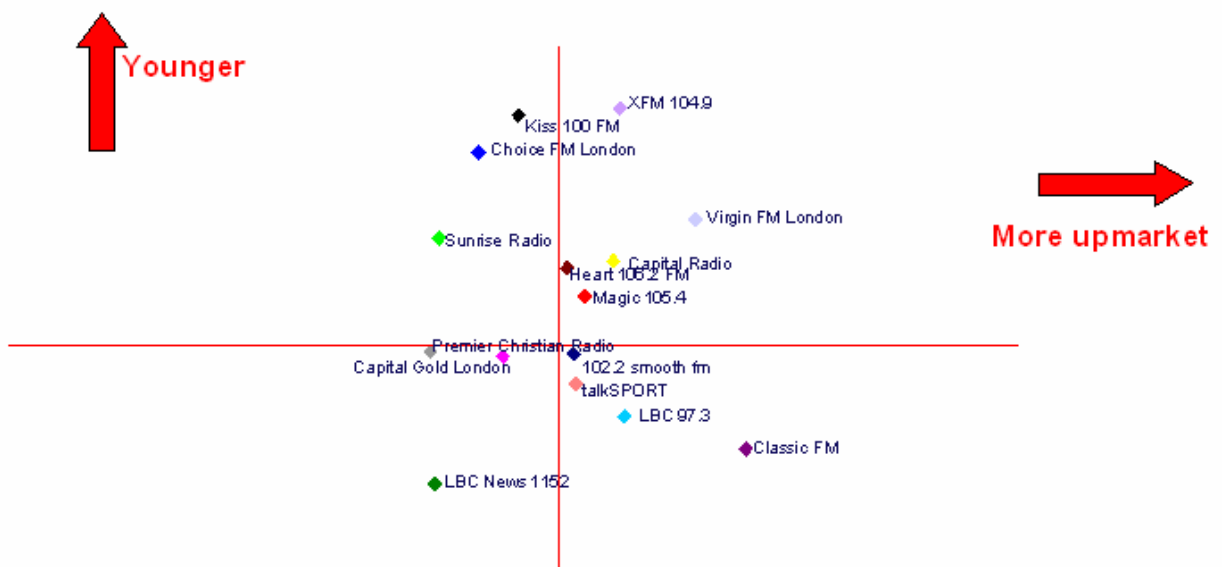
In fact it is our belief that it is this older demographic which has become disenfranchised with radio listening and this is substantiated by the latest Rajar figures showing that **14% of all 65+ listeners never listen to the radio at all.**

This figure is 3% higher than that for all adults in the London area, and if these people were to be given a reason to come back to radio, it would represent almost a third of a million listeners in the London market alone and one that would grow the overall commercial radio cake, something that is desperately needed within our industry at this time.

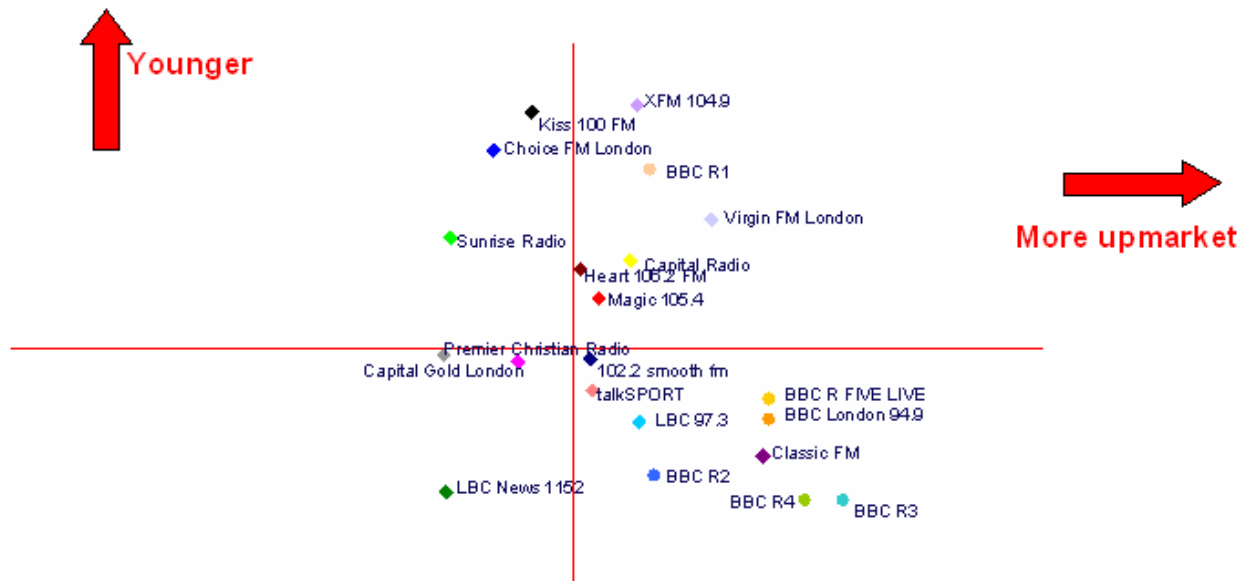


As can be seen from the scatter graph which follows, the positions below the central axis occupied by commercial radio are poorly represented with the only local stations of significance appealing to older listeners attributed to Smooth FM, Capital Gold and LBC AM and FM. So speech radio is the predominant driver locally in the London market

London ILR TSA – Age/Class Map of Commercial Stations



London ILR TSA – Age/Class Map of All Stations



Any additional information and/or evidence in support of proposed change(s).

Smooth Music

Our aim in taking the Smooth format to an older audience would be to highlight both a different music and speech output in order for us to gain a level of difference while still keeping the flavour of what we are doing now. Musically, our proposition would offer the older London listener a selection of music that, in its entirety and overall feel, is currently not heard in the Capital and together with our obligation to at least 45 hours of Jazz specialist programmes, it would enable us to find a niche for the future. By way of an example, here is a typical schedule for a daytime 3-hour show.

1	The wonder of you	Elvis Presley
2	Bridge over troubled water	Simon & Garfunkel
3	This guys in love	Herb Alpert
4	Smoke gets in your eyes	The Platters
5	Hotel California	Eagles
6	I'm gonna change the world	Matt Monro
7	Wind beneath my wings	Bette Midler
8	The way we were / Try to remember	Gladys Knight
9	Lets face the music and dance	Nat King Cole
10	Downtown	Petula Clark
11	Albatross	Fleetwood Mac
12	Mind Trick	Jamie Cullum
13	Rhinestone Cowboy	Glen Campbell
14	Power of love	Jennifer Rush
15	Music to watch girls by	Andy Williams
16	Don't give up on us	David Soul
17	Baby I'm a want you	Bread
18	Crazy	Patsy Cline
19	Stand by me	Ben E. King
20	All I have to do is dream	Everly Brothers
21	Love don't live here anymore	Rose Royce
22	I'm sorry	Brenda Lee
23	The proud one	Osmonds
24	Smooth operator	Sade
25	My heart will go on	Celine Dion
26	Rave on	Buddy Holly
27	We have all the time in the world	Louis Armstrong
28	Unchained melody	Righteous Brothers
29	Reach out and touch	Diana Ross
30	Strangers in the night	Frank Sinatra
31	Mornin'	Al Jarreau
32	We've only just begun	Carpenters
33	Move over darling	Doris Day
34	After the love has gone	Earth Wind & Fire
35	Runaway	Del Shannon
36	Imagine	John Lennon

Smooth Speech

Although the current format only requires 6 news bulletins per day (of which 3 are required to be local) under GMG we have increased that to 18 local bulletins per day. As we have done this for a considerable amount of time (3 Years) we are more than happy to enshrine this in a new format.

In our view, making a station attractive to an older demographic is something that cannot be achieved by music alone and speech would be an important requirement for this service. As

can be seen from our analysis of the London market place the older population is well served for speech, by the two LBC commercial stations and BBC Radio 4 and Five Live. However, even though the 50+ age range is underserved musically, it's also safe to say they have a propensity towards intelligent speech and news. To this end we would like to enhance the volume of speech enshrined in the format, which currently has no stipulation and we would like to set at a minimum level of 25% during weekday daytime output.

As you will be aware through your own knowledge of our stations and supported by our many industry awards for news and speech content, GMG believes in speech and we have demonstrated how it can be effectively spread across the output for greater effect. It is true that wherever we have a Real Radio operation, Radio 2 (arguably Commercial radio's biggest competitor) is less successful in our areas than in other parts of the UK. We do not broadcast a minimum level speech as required by our respective formats, we are well above that and indeed in our Smooth operations **our news output is nearly 300% more than our format requires**. We would intend to improve on this even further by extending the length of the news, sport and speech features within the output of Smooth in the future. These could be short form features including social action, and specialist/celebrity guest interviews specifically targeted at the older listener. We would be happy to have this enshrined within the new format if you wish.

We would not have opinionated presenters doing phone-in topics, we would have mature, warm and friendly presenters who are well informed and communicate with the more mature listeners and can relate to this target demographic who DO NOT have one foot in the grave, but instead have fulfilling and worthwhile active lives.

Smooth FM would aim to provide the right blend of meaningful speech and nostalgic music, which would bring the older London listener back to radio. These older listeners who remember Kenny and Cash at Breakfast, Michael Aspel on mid-mornings and Fluff with Pick of the Pops, but can't find the style of music they grew up with and the standard of presenter they know and love.

Our track record in doing what we say on the tin, we hope, has been vindicated, and while other groups have come with wild promises that have disappeared in time, we remain, endorsing the long-held values of The Guardian and our Trust status. We believe GMG has the right support and infrastructure to revive older listener-ship in London with the proposed format attached overleaf.

I hope that all of this clearly outlines our proposal and that the history of our group, its commitment and the success we have achieved to date provides some comfort that our intentions are as described with the long-term commitment required to succeed.

We are also minded to underline that launching a new brand with a new appeal in London would not be cheap and GMG are committed to investing a considerable sum to launch this service within the next three years in order to deliver the format to its target market which in turn would deliver a larger and more sustainable audience for our present licence.

SMOOTH FM 102.2

Format Outline

Station Name	Smooth FM 102.2
Licence Area	Greater London (as defined in licence advertisement)
Frequency	102.2 MHz
Hours of Broadcast	24 hours a day (at least 18 hrs locally made)

Definitions

Speech	excludes advertising, trails, sponsor credits and the like and will be calculated over the period specified.
Music	percentages are calculated as a percentage of the total tracks broadcast in the specified period.
Peak time(s)	refers to weekday breakfast and afternoon drive output
Daytime	is 0600 to 1900 weekdays and 0800 to 1400 weekends.
Locally made	refers to output produced and presented from within the licence area and must include peak time.

Character of Service

SMOOTH FM IS AN EASY-LISTENING STATION FEATURING LIFESTYLE ORIENTATED SPEECH TARGETING AN AUDIENCE AGED 50 PLUS INCLUSIVE OF 45 HOURS OF SPECIALIST JAZZ PROGRAMMES

Detail

Programming will clearly target listeners primarily aged 50 and over with a mix of melodic music from the 1950's to date, including standards, nostalgia and easy listening, plus some modern easy listening and soul music. Older, melodic material will dominate the music played and tracks from the last 25 years must not account for more than a quarter of the music aired each day.

Specialist shows that showcase the station's difference in off-peak times are an important strand in the overall output, it will provide at least 45 hours of recognised jazz genres (such as jazz standards, traditional jazz, modern jazz, and contemporary jazz) each week.

Other genres complementing the main music mix, such as new adult contemporary, big band, specialist soul and motown music may also feature in non daytime shows

Speech is an important part of the service and should account for a minimum of 25% of weekday daytime output and not less than 10% off peak. It should include local information for the target audience, including lifestyle, health matters and charity features, reflecting the cultural diversity of the Capital. Local news bulletins will be broadcast each hour during peak times.

Notes

* As amended by sections 312 and 313 of the Communications Act 2003

Ofcom may approve a change under criterion (a) without consultation only *in extremis*. While Ofcom will always respect the right of stakeholders to apply for a Format change in confidence, it is highly unlikely that commercial confidentiality will in itself be considered adequate grounds to approve a change under (a) without consultation.

Version 3 – amended October 2006