

# Small-scale radio multiplex licence

Application form – Part A (public)

Name of applicant (i.e. the body corporate that will hold the licence):

M&S Digital C.I.C.

Multiplex licence area being applied for (note this must be a small-scale multiplex area <u>currently</u> <u>being advertised</u> by Ofcom):

The Manchester Polygon – north-west macro area



# 1. Overview

# MANCHESTER AND SALFORD DIGITAL RADIO G.L.G.



This is an application - steeped in community values

An alliance - created among community radio stations with heritage

Winning support, while treating fairly - a host of superb, programme services

At the centre - a demonstrable sprinkling of individuals oozing with relevant experience

Topped, with deep rich coverage - spread right across the area



This is not just any licence application...

This, is an M&S Digital, radio multiplex licence application.



Addressing the five award criteria in bullet points:

- 98% area coverage
- Resource in place to satisfactorily establish the service
- Participation from 5 analogue community radio stations
- A rich tapestry of supportive programme services
- Community values and fair treatment, a cornerstone

# 2. Extent of proposed coverage area

2.1 Provide a summary, fully consistent with the more detailed information about transmission sites supplied separately in Part B, of the coverage area proposed to be achieved by your technical plan. This should include a description of the target area you are seeking to serve within the advertised licence area, and also any areas you are aiming to serve outside the advertised licence area for this small-scale radio multiplex service. (You may refer to your coverage prediction in the response you provide):

Focussing digital field strength in the analogue licenced community radio editorial areas, yet still reaching out to the polygon edge, M&S Digital predicts that 98% of the polygon population will be reached.

Our disciplined approach reduces overspill into the four overlapping polygon areas to 15% and is believed to be compliant in terms of acceptable levels of interference.

#### Coverage overview

Our target is to deliver a robust signal into an area identified by Whitefield, Top of Herbers and Oldham in the north, Ashton upon Mersey, Didsbury and Reddish in the south, Wardley, Eccles and Urmston in the west and Failsworth, Ashton-under-Lyne and Denton in the east. The district of Urmston spans the polygon line, but falls into an area not covered by any polygon in the macro area.

The topography of the Manchester polygon area is such that the high ground of the Pennines overlooks the eastern side of the polygon running north to south. Within this particular area are a number of pockets of low ground. An elevated stretch also runs across the top of the polygon area, east to west.

Substantial building clutter dominates the central areas of both Manchester and Salford, with significant high-rise office and other development occurring over the last 25 years. Evidence suggests work of this nature will continue for many years to come.

Taking full account of these factors, the M&S Digital technical plan achieves coverage within the area described above.

#### Our two target area objectives

M&S Digital has two coverage objectives of equal importance. These are set out overleaf:

# <u>Objective 1.</u> Provide robust coverage into the editorial areas of our five participating community radio services

There are eight Ofcom licenced analogue community radio services in the Ofcom advertised polygon area for Manchester. Five of these community radio services are participants in M&S Digital and include the area's 'heritage' community radio stations. The five services cover the following geographic areas: Central Manchester, Salford, north-eastern Manchester and central south-eastern and central south-western Manchester. To achieve adequate coverage for these services, we identified three primary sites: Charlestown (Manchester M9), Longsight (Manchester M19) and Eccles (Manchester M30). A Single Frequency Network affords an overlapping signal into central Manchester. Adoption of this proposal provides a digital path for these established analogue community radio stations.

Turning to central Manchester, while the prospect of multipath distortion is an unwanted reception feature of FM transmission, this is not the case with synchronised DAB signals which offer the potential for M&S Digital to offer a vastly enhanced listening experience in and around the city centre.

We have deliberately avoided a central Manchester site so as to future-proof our network. Substantial building development remains ongoing around Manchester city-centre which will have the effect of fencing-in such a site, giving rise to poor take-off and shadowing. Our adoption of a triangular network design will deliver good indoor reception in to both the city centre and across the surrounding areas. Much of Manchester's population lives away from the city centre and so our chosen sites deliver good reception to the localities where people live.

Our system and approach may not be the cheapest option available, but cost aside, not only does it meet our first target objective, it supports our second target objective too.

#### Of equal importance is our second target objective:

# Objective 2. Deliver spectrally efficient coverage, in a disciplined manner, throughout the whole Manchester polygon area by producing a $63dB\mu V/m$ field strength at the contour line of the polygon perimeter

In considering the polygon area in its entirety, our strategy has been to utilise three sites on buildings of relative elevation. Our predicted coverage suggests that these sites will deliver the required  $63dB\mu V/m$  field strength both into the centre of Manchester and also up to the perimeter line.

Directional antenna systems with optimised network power levels have been utilised as part of our armoury in adopting a disciplined approach in order to minimise the wider effect of causing unacceptable outgoing interference. Our three-site option also affords greater opportunity to be compatible with the overall spectrum plan.

In addition, three primary sites also ensure that in the event of a catastrophic failure at one site, at any time, partial coverage in the order of 70% population coverage will be maintained. Our transmission system, in the context of widespread coverage, will not fall prey to a single point of failure. We take this responsibility as being an essential requirement, given that the Manchester polygon area represents one of the major radio markets in the UK.

#### Outside the advertised licence area

Despite employing antenna directionality at all sites and lower power levels at two sites and choosing not to site transmitters within the proximity of the polygon edge, it is inevitable that still some receivable signal will spill into neighbouring areas of Greater Manchester. In our plan, any overspill occurring is as a result of an engineering-led approach to serve the population within the polygon area. However, the nature of signal propagation is such that a certain amount of overspill is difficult to easily avoid, without causing detriment to reception inside the licenced area. See also 'Minimising the signal level...' (below).

In occurrences where there has been overspill, such as parts of Urmston (Trafford Metropolitan Borough) for example, we are inclined to take the policy-led view that it is not unreasonable to consider the inhabitants in these localities as 'looking towards' the cities of Salford or Manchester thereby sharing an affinity with them. This we suggest adds legitimacy to our incidental additional coverage.

#### Minimising the signal level that our technical plan puts into other areas

M&S Digital has studied carefully the licence advertisement document in particular 2.2 c).

Mindful of the central position of this polygon in relation to the wider macro area together with the desire to better manage field strength levels throughout a polygon area with substantial building clutter, our technical plan is for a three (primary) site approach.

The Manchester polygon is also overlapped by four polygon areas. To the north Bolton & Bury, the east Oldham and Rochdale, the south east Stockport, and to the south-west the Cheshire East polygon. We have sought to constrain our overspill into these areas.

On closer scrutiny we noted that the polygon perimeter line in some cases intersects with densely populated areas. As is the general nature of propagation across urban sprawl, any overspill into such areas will be characterised by a comparatively high yield of population numbers reached. This is not helped by the amphitheatre effect of the terrain, where large pockets of incidental recovery further afield, may also be observed.

In order to minimise overspill, we engaged an experienced planner who invested many hours modelling this polygon area's coverage. From a starting point of three omnidirectional 100W sites we found overspill to be in the order of 250,000. This high number is due to the reasons set out above. We first applied antenna directionality initially at Eccles but ultimately at all sites, in order to reign-in the extent of unwanted overspill.

Secondly, we applied in incremental stages, radiated power level reductions at two of the three primary sites. We did this until we got to the point where some pockets of diminished coverage inside the Manchester polygon became unacceptably enlarged.

Mindful that M&S Digital is taking part in a competitive licensing process where an award criterion assesses the extent of coverage achieved by an applicant; reducing population coverage numbers <u>inside</u> the polygon, would have a clear adverse effect on our application. In short, as applicants, this was a route we could not afford to take.

Finally, electrical beam tilt was also considered as a means of constraining overspill, but again this was found to diminish in-area coverage excessively and may have been counterproductive to our adopted cautious approach towards our ACI preventative strategy.

We trust that the range of alternative measures we have applied and tested are a clear indication that we have sought to minimise overspill into neighbouring polygon areas.

#### Ashton-under-Lyne

We plan to cover Ashton-under-Lyne, an area within the polygon. Our coverage plot indicates that this is achievable. However, we are aware that there may be some differences between predicted and actual coverage and also that Ofcom may also need to impose restrictions for frequency planning reasons. Our predicted coverage in the town is largely achieved by the power summation of the signals from the three transmitter network, rather than from a particular dominant server.

In order to take full account of the prospect of a sub 63 dB $\mu$ V/m signal in this area we have in place a site agreement and budget for a 10 watt enhancement transmitter for the east of the polygon, which we would commit to build within the 18 month time frame, should it be required. We have therefore included the Ashton-under-Lyne site in our technical plan, as a fourth site relay that would support our three primary sites.

#### Conclusion

Our coverage reaches 833,509 adults (98%) inside the Manchester polygon. Overspill has been constrained to 15% into the four overlapping polygon areas. Total overspill 17%.

The final plan affords some flexibility in case of any ACI mitigation or further restrictions which might be required by Ofcom due to clearance or spectrum efficiencies. It is not expected that any such requirements would impact upon the viability of the proposition of M&S Digital or the usefulness to the five community stations that are participants in the applicant group.

With the coverage patterns of our five participating analogue community radio services front of mind, and our desire to achieve spectral efficiency, we believe we have met both objectives.

2.2 Provide summary details of the sites required to achieve this coverage by completing the table below (add additional rows as required):

Site Name	NGR	Antenna	Antenna type proposed	New or	ERP (W)
		height	with bearing	existing	
		(m agl)		antenna	
Charlestown	SD 87417 03422	61m	Stacked dipoles	New	75W
(Manchester)			220 degrees ETN		
Longsight	SJ 87540 95287	61m	Stacked dipoles	New	100W
			350 degrees ETN		
Eccles	SJ 77519 98344	72m	Cardioid	New	50W
			80 degrees ETN		
Ashton-under-	SJ 93200 98500	40m	Stacked dipoles	New	10W
Lyne			270 degrees ETN		

2.3 Please provide a coverage prediction map for the whole transmitter network you are proposing to build within 18 months if you are awarded a licence. The map should show the 63 dB $\mu$ V/m field strength and the advertised small-scale DAB licence area contour. Small-scale DAB licence areas in GIS format are available on the Ofcom website.

Please see: Coverage Prediction Map Annex 1.

2.4 Please provide the following details of the prediction software used for your coverage assessments:

Provide the name and version of the prediction tool used.	HTZ Communications V23.0 release 1456
Detail the terrain model used by the software and its resolution.	ADTI SRTM 2003
	30 x 30 spatial sampling
Detail the ground cover (clutter) data used by the software and its resolution.	ATDI 50m precision
used by the software and its resolution.	Extracted from satellite photography 1999- 2001
What propagation algorithm has been	Deygout 94-2 with coarse integration
used?	Fresnel Zone fraction 0.8
	(Interference over sea path towards IoM
	checked with ITU-R P.1546)
Where multiple sites are proposed, describe what methodology has been	Power sum
used to assess the network (SFN) gain	
If these predictions have not used Ofcom- provided population data, state what	2011 Census
population data has been used and its	
source.	
Have your predictions been generated by	Digris AG
a commercial organisation? If so, by whom?	

# 3. Ability to establish the proposed service

## **Applicant's details**

3.1 Name of applicant (i.e. the body corporate that will hold the licence):

M&S Digital C.I.C.

3.2 Company registration number stated on Companies House (if applicable):

13356533

3.3 For UK registered companies, the address of the applicant's registered office stated on Companies House. For non-UK registered companies, the principal office address:

85 Chapel Street,

Manchester

M3 5DF

3.4 If a UK registered company, is the **current** Memorandum and Articles of Association document available on the Companies House website?

#### Yes

If no, please submit the up to date document and indicate you have done so in the checklist in Section 7 of Part B of the application form.

# Ownership and control of company which will hold the licence

#### **Details of officers**

3.5 Please complete the following table, expanding it if necessary, to provide the following details for each director or designated member of the applicant (i.e. the body corporate that will hold the licence):

Full name of	Correspondence	Country	Other officerships held (and	Other
individual	address <sup>1</sup>	of	nature of the business	employment
		residence	concerned)	
Gaydio Community	1a Manchester One,	UK	Director -	none
Interest Company –	53 Portland Street,		Gaydio Digital Ltd; Gaydio	
Ian Wallace	Manchester M1 3LF		Brighton Ltd	
			(Radio broadcasting)	
			St Wilfrids Management	
			Company Ltd.	

 $<sup>^{</sup>m 1}$  This should be the same address as is held and published by Companies House.

			(Residents property	
			management)	
Reform Radio CIC - Jemma Tanswell	Bonded Warehouse, 18 Lower Byrom Street, Manchester M3 4AP	UK	Director - Sonder Radio Ltd (Radio broadcasting)	none
Opendab C.I.C. – Daniel Nathan	11 Old Steine, Brighton BN1 1EJ	UK	Director - Brighton & Hove Radio Ltd; Festival Online; Festival Productions; Radio Deck Ltd; Platform B  (Radio broadcasting)  Old Court House Residents Ltd; Parochial Mews & Flats Courtyard Ltd  (Residents property management)  Same Sky Ltd  (Arts facilities)  Valley Gardens Forum CIC	none
			(Professional membership activities)  Hopshire Investments (Real estate lettings). Langham Trading Ltd (Textile agents)	
Lawrence Galkoff Associates – Lawrence Galkoff	21 Culverlands Close, Stanmore HA7 3AG	UK	Director - 103-105 Birkbeck Road Management Ltd (Residents property management) Prison Radio Association (Educational support services) Reasons 2B Cheerful Ltd (dormant)	none
Ed Connole	85 Chapel Street, Manchester M3 5DF	UK	Director - Community Radio Alliance Ltd (Radio broadcasting)	Director & Station Manager - All Arts & Media Ltd

Paul Boon	85 Chapel Street,	UK	Director –	none
	Manchester M3 5DF		Opendab CIC	
			(Radio broadcasting)	
			City West Digital CIC	
			(Radio applicant group –	
			dormant)	
			South of the River Digital CIC	
			(Radio applicant group -	
			dormant)	

#### **Comments:**

M&S Digital is a Community Interest Company limited by shares. Each director (named above) has one vote. Three of the six directors represent the interests of community radio broadcasters local to the Greater Manchester Area. One director, Ed Connole, represents the interests of the other shareholding and participating, analogue community radio services: All FM, Legacy 90.1, North Manchester FM & Salford City Radio.

## **Details of participants**

Complete the table overleaf, expanding it if necessary, to list all bodies or individuals which hold or are beneficially entitled to shares, or who possess voting powers, in the applicant (i.e. the "participants"). If you are unable to provide a complete answer to this question in relation to beneficial owners, please state whether you have any reason to suspect the existence of any beneficial owners.

Number of	Total	Total	% of voting
shares	investment	investment	rights
	(£s)	(%)	
5.0	£5.00	5	5
16.0	£16.00	16	16
5.0	£5.00	5	5
5.0	£5.00	5	5
16.0	£16.00	16	16
5.0	£5.00	5	5
16.0	£16.00	16	16
16.0	£16.00	16	16
16.0	£16.00	16	16
	5.0       16.0       5.0       5.0       5.0       16.0       16.0       16.0	shares     investment (£s)       5.0     £5.00       16.0     £16.00       5.0     £5.00       5.0     £5.00       16.0     £16.00       16.0     £16.00       16.0     £16.00	shares       investment (£s)       investment (%)         5.0       £5.00       5         16.0       £16.00       16         5.0       £5.00       5         5.0       £5.00       5         16.0       £16.00       16         5.0       £5.00       5         16.0       £16.00       16         16.0       £16.00       16         16.0       £16.00       16

#### **Comments:**

52% of the shares in M&S Digital are held by Community Interest Company broadcasters local to the Greater Manchester area.

## **Details of relationships of control**

3.7 Complete the following table, expanding it if necessary, to list any bodies corporate which are controlled <u>by</u> the applicant, any director of the applicant, any person/body corporate with control over the applicant, or any body corporate controlled by a person/body corporate controlling the applicant. Please include bodies corporate under joint control – i.e. which are controlled acting together in concert with third parties (e.g. because of a shareholder's agreement):

(If this question is not applicable to the applicant please respond "N/A" in the table.)

Full name of body corporate	Address	Person/body controlling the entity (i.e. the applicant itself or	
corporate		its associate)	
N/A No bodies control or are controlled by the applicant M&S Digital C.I.C.			

## Details of persons who control the applicant

3.8 Complete the table overleaf, expanding it if necessary, to list all persons/bodies corporate who control the applicant, or control any person/body corporate with control over the applicant. Please include persons or bodies that control the applicant (or body corporate with control over the applicant) jointly i.e. acting together in concert with third parties (e.g. because of a shareholder's agreement). Please note that some of this information may repeat information provided above on shareholders and other participants in the applicant:

(If this question is not applicable to the applicant please respond "N/A" in the table.)

Full name of	Address	Person/body controlled
person/body corporate		by the entity (i.e. the
		applicant itself or its
		associate)
N/A No bodies	s control or are controlled by the applicant N	1&S Digital C.I.C.

3.9 Complete the following table, expanding it if necessary, to list other bodies in which any individual listed in response to question 3.8 is a director or designated member:

(If this question is not applicable to the applicant please respond "N/A" in the table.)

Full name of individual	Name of body in which individual is a director or designated member
N/A No bodies control or are contro	lled by the applicant M&S Digital C.I.C.

3.10	Complete the following table, expanding it if necessary, to list all bodies corporate which are
	controlled (including jointly controlled) by any body corporate listed in response to question 3.8:
	(If this question is not applicable to the applicant please respond "N/A" in the table.)

Full name of body corporate listed in 3.8	Body corporate controlled
N/A No bodies control or are control	led by the applicant M&S Digital C.I.C.

3.11 In relation to each body corporate identified in response to question 3.8, complete the table overleaf, expanding it if necessary, to list all bodies which hold or are beneficially entitled to shares, or who possess voting powers, in the body corporate concerned (i.e. "participants"). You may, but are not required to, exclude from this table any bodies listed in response to question 3.8. If you are unable to provide a complete answer to this question in relation to beneficial owners, please state whether you have any reason to suspect the existence of any beneficial owners.

(If this question is not applicable to the applicant please respond "N/A" in the table.)

Name of body corporate identified in response to question 3.8				
Full name of participant	Number of shares	Total investment (£s)	Total investment (%)	% of voting rights
N/A No bodies control or are controlled by the applicant M&S Digital C.I.C.				

### Involvement of the applicant in specified activities

3.12 Please state below whether the applicant, or any individual or body corporate identified in questions 3.5 to 3.11 is, or is involved in, any of the below, and the extent of that interest.

Activity/involvement	Yes or No	Please state who is involved; the name of the body/individual/agency they are involved with; and the extent of their involvement
A local authority	No	
A body whose objects are wholly or mainly of a political nature, or which is affiliated to such a body	No	

A body whose objects are wholly or mainly of a religious nature; <sup>2</sup>	No	
An individual who is an officer of a body falling within (b) or (c);	No	
A body corporate which is an associate (as defined in paragraphs 1(1) and 1(1A) of Part I of Schedule 2 to the Broadcasting Act 1990) of a body falling within (b) or (c);	No	
An advertising agency or an associate of an advertising agency	No	

## Details of applications, licences and sanctions

- 3.13 Please answer 'yes' or 'no' to the following questions about the applicant (i.e. the body corporate that will hold the licence):
  - (a) Is the applicant a current licensee of Ofcom?

#### No

(b) Has the applicant ever held an Ofcom broadcasting licence before?

#### No

(c) Has anyone involved in the proposed service held an Ofcom broadcasting licence or been involved in an Ofcom-licensed broadcast service before?

#### Yes

(d) Does the applicant control an existing Ofcom licensee?

#### No

(e) Is the applicant controlled by an existing licensee or by any person who is connected (within the meaning of Schedule 2 to the Broadcasting Act 1990) with an existing licensee (i.e. as a "participant")?

#### No

(f) Has the applicant – or any person(s) controlling the applicant - made any other application to Ofcom (or its predecessor broadcast regulators – the Independent Television Commission and the

<sup>&</sup>lt;sup>2</sup> Please refer to Sections 3 to 5 of Ofcom's religious guidance note at: <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf\_file/0028/88219/Guidance-for-religious-bodies.pdf for details on how we determine the eligibility of religious bodies to hold certain broadcasting licences.

Radio Authority) for any licence which has since been surrendered by the licensee or revoked by Ofcom (or one of its predecessor regulators)?

#### No

(g) Has the applicant – or any person(s) controlling the applicant - made any other application to Ofcom (or its predecessor broadcast regulators – the Independent Television Commission and the Radio Authority) for any licence which has since been surrendered by the licensee or revoked by Ofcom (or one of its predecessor regulators)?

#### No

(h) Is the applicant – or any person(s) controlling the applicant – subject to any current or pending investigation by any statutory regulatory or government body in the United Kingdom or abroad in respect of any broadcast-related matter?

#### No

(i) Has the applicant – or any person(s) controlling the applicant – ever been subject to a statutory sanction for contravening a condition of a broadcasting licence in the UK or any other jurisdiction?

#### No

3.14 If the response to any of the questions (a) to (i) in 3.14 above is 'yes', please provide the details, expanding the table where necessary:

	Licence number(s) (if known)	Details
(a)		N/A
(b)		N/A
(c)	CR000023BA/3	All FM
	CR000163BA/3	Bolton FM
	CR000186BA/2	Gaydio - Manchester
	CR101283BA/1	Gaydio – Brighton
	DSP000067	Gaydio (London, Manchester, Brighton)
	Licence number not known	Gaydio Manchester 3 x RSLs (2006-2007)
	AL000211BA/6	Juice FM – Brighton (now Capital)
	CR000136BA/4	Legacy 90.1
	CR0000165BA/5	North Manchester FM
	CR101275BA/1	Platform B
	CR000035BA/5	Salford City Radio
	CR000061BA/2	Desi Radio
	CR000197BA/3	Radio LaB 97.1 (University of Bedfordshire)
	RSLs (various)	Brent Cross: BXFM (2004-2007);

	Licence numbers not known	Bromley: Smile Radio (2009)
		Centre FM: Watford and Gateshead
	RLCS000072BA/2	National Prison Radio
(d)		N/A
(e)		N/A
(f)		N/A
(g)		N/A
(h)		N/A
(i)		N/A

3.15 Please provide any further information you hold, relating to the past conduct of the applicant or those individuals listed, in regulatory matters or in matters going to honesty and/or compliance, which may be relevant to Ofcom's consideration of whether or not the applicant is fit and proper to hold a broadcast licence. If the applicant or the form signatory fails without reasonable excuse at this point to declare any matter of which Ofcom subsequently becomes aware, and which we consider to be relevant to the applicant's eligibility to hold a licence, we will take it into account in determining the question of whether the applicant/licensee remains fit and proper to hold a licence.

If you have no information to provide, please respond "N/A".

3.16 Has the applicant – or any person(s) controlling the applicant – ever been convicted of an unlicensed broadcasting offence?

#### No

If yes, please provide the following details:

Full name	Date of conviction/action (dd/mm/yy)	Penalty
	N/A	

# Financial and business plan

3.17 Please provide a high-level estimate of the costs you believe will be required to establish the multiplex service.

Agreed and committed funding together with a clear expenditure plan providing a working capital surplus at launch, backed and supported if necessary, by reserves - M&S Digital can demonstrate its ability to establish the proposed service

#### M&S Digital is a Community Interest Company

Being a social enterprise means that our approach to funding, the build-out of infrastructure, our day-to-day operation and trading – the sale of carriage in particular, will each be influenced by our not-for-profit approach.

Yes, we will seek to generate a surplus, but this will be used initially to build-up a reserve in the company and to repay lenders. Beyond this, surpluses will be distributed under the mandate by which we serve, namely, to improve existing facilities, assist community radio in Greater Manchester and support small-scale DAB technical development.

The procurement of assets will be funded primarily by director loans – repayable over the early years of the licence period. The assets will be 'locked' and held for the benefit of the people of Greater Manchester. In accordance with our Articles of Association there will be no dividend of substance payable to the directors.

The costs set out below have been taken from a line-by-line listing of components and other areas of cost. This in turn has been validated against a detailed quotation from Digris, business knowledge and operational experience and applied to this Manchester project.

#### **High-level estimation of costs:**

<u>Item</u>		Cost £s
Network planning, equipment procurement and		
installation (including contingency):		51,300
Pre operational costs:		10,000
	<u>Total</u>	61,300

The figures above are supported by a more detailed assessment. This <u>Assessment of Costs</u> and <u>Revenues</u> is set out in <u>Annex 2.</u>

In accordance with 1.29 in the Overview to the Part A application form, M&S Digital confirms that **Annex 2** is a non-confidential document.

- 3.18 Please indicate how the costs outlined in 3.17 (above) will be met, under the following headings:
  - a) Share capital

#### The share capital in M&S Digital C.I.C. is nominal

b) Loan stock

N/A

c) Leasing/HP facilities (capital value)

N/A

d) Bank overdraft

N/A

e) Grants and donations

N/A

f) Other:

# Two separate sources will meet the costs of establishing this service up to the point of launch

#### Source 1.

Five of the six directors in M&S Digital C.I.C. will each loan the company £9,000 (£45,000 in total). This meets 73% of the total required to establish the service. Each director has signed a Memorandum of Understanding with the company and each is prepared to supply Ofcom with evidence that they have adequate funds to loan this amount.

#### Source 2.

The second source of income secured, in order to establish this service, takes the form of a multi-year carriage pre-payment, in the event of award of a radio multiplex licence for Manchester to M&S Digital C.I.C.

Sunrise Radio (Bradford City Radio Ltd) has agreed with this company to pay in advance for carriage of its service (DP000061BA) for five years.

This settlement, in advance, exceeds the remaining 27% of the total amount required to establish the service by nearly £8,000 giving M&S Digital a surplus on commencement of transmission.

Sunrise Radio (Bradford City Radio Ltd) is prepared to supply Ofcom with evidence that adequate funds are available to make this prepayment in full.

#### Post launch

Post launch (i.e. the operating period covering the first twelve months of trading) M&S Digital will receive funds from service providers in the form of carriage payments. As these carriage payments (payable periodically, in advance) are fundamental in assessing our ability to establish the Manchester multiplex service, we have set out our rationale and reasons for confidence of receipt of such payments in our <u>Assessment of Costs and Revenue Annex 2 (see also 3.17 above)</u>.

In the unlikely event that further capital should be required to facilitate overruns or trading demands in the early months (particularly during the first year) then M&S Digital will draw-down agreed borrowing, as required, in the form of loans from the five lending directors listed in 3.19 (below).

3.19 Expanding the table, if necessary, please list the providers of the funding which will be used to establish the service, and the amount of funding that each will provide. For incorporated investing shareholders, please provide a copy of the most recent statutory accounts if they are not currently available on Companies House.

Name of shareholder or investor	Percentage of shares held (if applicable)	Amount of funding provided (£)
Gaydio Community Interest Company	16%	£9,000
Reform Radio C.I.C.	16%	£9,000
Opendab C.I.C.	16%	£9,000
Lawrence Galkoff Associates	16%	£9,000
Paul Boon	16%	£9,000

3.20 All of the funding identified above should be confirmed. If any funding has not been confirmed, or if there are any pre-conditions before the funding is released which have not yet been met, provide an explanation of what needs to be done, the dates by which it needs to be carried out, and any steps the applicant needs to take to ensure the funding is confirmed and/or released.

All funding identified above is confirmed and agreed with signed Memoranda of Understanding between M&S Digital and each lender

Each lender has agreed to provide to Ofcom, as required, evidence that they have adequate funds to lend the amounts set out above.

Furthermore, each can, if required, provide evidence that they can make further funds available to the company in the event of any shortfall or, as a reaction to any unforeseen circumstances that may otherwise impact upon the establishment and operation of M&S Digital, the proposed service, in the early months of trading.

Each lender has agreed to lend the prescribed amounts in the event of receipt of formal notice of award of licence from Ofcom.

## Relevant expertise and experience

3.21 Please provide details of who will be responsible for the day-to-day general management of the multiplex service (for example, dealing with programme service providers and contractual matters). Please also briefly state their previous relevant experience. (Note that any individuals or contractors who cannot be identified at this stage can instead be included in the confidential section (Part B) of the application form.)

Six directors, four with strong local connections bring together a unique combined skill set with demonstrable know-how and capabilities strong enough to oversee successful launch and operation of this proposed service.

This in turn is underpinned by specialist expertise from our technical partner.

#### Day-to-day general management

Based on evidence from the small-scale radio multiplex trials day-to-day general management includes overseeing or working in the following areas:

Sales and contract negotiation, dealing with customer radio service providers and resolving matters arising, implementation of policy (including fair and effective trading policy), resolving faults that may develop in the operation of equipment and software, handling revenue inflows and cost outflows, accounts, completion of statutory accounting requirements and ensuring

regulatory compliance, are areas which remain central to the day-to-day management of the multiplex.

Drawing from the experiences of trial multiplex operators, we consider the time required to carry out the variety of tasks listed above ranges from one to five days per month under normal trading and operating conditions.

To meet this requirement, while each participant in M&S Digital C.I.C. has a range of relevant skills essential for the effective management of the multiplex, we highlight below, the skills brought by our six directors who, collectively, will oversee the establishment of the multiplex. To underpin this involvement, our transmission management will be contracted-out to a proficient organisation.

#### Ian Wallace

A founding partner in Gaydio Community Interest Company, Ian as business director has played a key role in the creation, development, establishment and growth of the radio brand, in Manchester initially, and later throughout large parts of the UK. Today Gaydio can be heard on the London III multiplex as well as six of the ten small-scale DAB trials, including Manchester and Brighton. Indeed, Gaydio sublets its analogue community radio transmission site to the Manchester trial DAB multiplex licensee.

lan's field of responsibility extends throughout the operational and business side of the organisation. He has experience in resolving engineering issues, putting necessary contingencies in place and is skilled in managing the use of software, ensuring systems remain secure. Having led a sales team for eleven years, Ian is also an expert in contract negotiation. In addition to this work, Ian oversees the development of the Gaydio Academy, an activity that maintains a close connection between the radio station and the communities it serves.

#### Jemma Tanswell

Jemma is a founding director of Manchester's award-winning Reform Radio, a community-based youth-targeted online radio service, and also sister online radio station Sonder Radio, a service for older listeners. In this role Jemma manages all aspects of daily business at these stations. Additionally, she leads in project planning, bid preparation, developing partnerships and overseeing recruitment.

Jemma brings over a decade's worth of experience in developing and delivering successful creative projects in association with high profile organisations including the Arts Council England, Big Lottery, Prince's Trust and Youth Music.

From her background and qualifications in drama and the performing arts, Jemma became a skilled facilitator who has designed and delivered workshops, some events for over 300 participants and additionally, is also a recognised Talent Coach, a position funded by the Big Lottery. This dimension of her work is put to use within Reform Radio where a key part of the radio station's remit is to help young people into work.

#### **Ed Connole**

Ed Connole is director and station manager of All FM the Manchester 2019 award-winning heritage, community radio station. He leads a staff team of five and a volunteer team of 110. He is also director of Community Asset Services Cooperative, an organisation that supports community organisations in the UK across a range of issues, such as governance, fundraising and asset transfer.

Previously, Ed led Toxteth TV, an online web-casting channel, oversaw the construction of the Valley Community Theatre, a £656,000 project and launched the theatre's innovative alternative education programme, a £250,000 project that uses arts and film to engage young people who have been excluded from mainstream education. He also established The Shakespearean Young People's Theatre Company which was the first in recent years, to perform at Stonehenge on midsummer's night 'A Midsummer Night's Dream'.

A skilled producer, grant fundraiser and effective manager of a wide range of creatively aligned projects, Ed has extensive experience in developing policies, chairing meetings, dispute arbitration and researcher and writer of successful business and development plans.

#### **Lawrence Galkoff**

Lawrence has been the proprietor of Lawrence Galkoff Associates for nearly 25 years providing services to TV and radio broadcasters, including BBC Sport based in Media City, Salford. The second string to Lawrence's bow is with Radioplayer Worldwide. Here, he has built strong working relationships with both European, north American broadcasters and allied organisations. This involves negotiating and managing contacts with international broadcasters using the platform. This work gave him an insight into the radio industry at all levels.

Lawrence has played a long-established role in community radio, building studios and providing and installing transmission systems. He has also worked as an advisor to a number of community radio stations going back to the earliest days of Access Radio. Additionally, over time, he has set up and run some ten RSL services in various parts of the UK.

Previously, Lawrence worked for the BBC for 15 years, starting in local radio in the early 1980s. Away from the BBC, he was part of the on-call maintenance team for the commercial radio DAB London II network of transmitters. Since the inception of DAB radio in the 1990s, Lawrence's recognition of the positive potential of the platform remains a driving force in him.

#### **Daniel Nathan**

Daniel is a founder director of Opendab, a Community Interest Company that has at its heart the development of small-scale DAB for community and local radio. Opendab's other founders are Lawrie Hallett, holder of the Norwich small-scale DAB licence and Paul Boon (see below).

He was also founder of the first Home Office licenced FM 'special event' RSL radio station Festival Radio and subsequently leading one of the first independent production suppliers to BBC Radio. In the 1990s Daniel was co-founder of dance music radio stations Kiss 102 Manchester and Kiss 105 Yorkshire and later that decade Surf 107 (later renamed Juice 107.2) in Brighton. He is the co-founder of an experimental low-power, low-cost DAB transmission project that pioneered an open-source software defined radio system. This work led to the Ofcom small-scale DAB trial in ten areas around the UK including Brighton and Manchester.

Leading a number of creative radio and technological projects, he was a member of the industry steering group that led to UK Radioplayer being established and co-authored the feasibility study for a National Radio Archive for the British Library in 2014. Daniel led 'Radio Connected', a Technology Strategy Board funded development project examining radio metadata and connected device technology working with Imagination Technologies PLC, Radioplayer/University of Westminster and Mixcloud, and was co-founder and project lead in the current Ofcom seed funded project - Radio Exchange, a production tool to 'upload once and distribute everywhere' in partnership with the Community Media Association.

An industry visionary, Daniel's skills of applying technology, project management, creative content production and managing day-to-day operations are honed from three decades working in the radio medium.

#### **Paul Boon**

Paul is a founder director of Opendab, a Community Interest Company that has at its heart the development of small-scale DAB for community and local radio. Opendab's other founders are the operators of the Brighton small-scale DAB trial (Daniel Nathan) and the Norwich small-scale DAB trial (Lawrie Hallett).

Up until 2017, Paul worked for Ofcom in radio broadcast policy and licensing where his work programme included a number projects including the organisation's response to the Government's Digital Britain report and the Local Radio Multiplex licence award for Suffolk. He dealt with Arqiva (Digital One & BBC) Bauer, Global, MuxCo and Wireless/UTV on multiplex variation requests and other licensing and compliance matters. Paul was also editor of the radio and audio chapter of Ofcom's annual Communications Market Report.

A former managing editor of the radio industry's weekly trade publication the Radio Magazine, Paul has been radio station managing director, project manager, sales manager, marketing manager, journalist, broadcaster, consultant and broadcasting lobbyist over a thirty-year period. In 1990 he was part of the launch team at south Manchester's KFM Radio.

Paul brings a combined skill set of operational management and business know-how, UK radio market intelligence, policy implementation, creative flair, regulatory compliance and technical project management.

#### Digris Ltd - transmission partner

The level of specialism required in SFN transmission management is fully appreciated by M&S Digital. To this end we propose to contract-out this specialism. Our preferred partner in this field is the UK arm of Digris AG.

Digris is a newly formed UK organisation but in mainland Europe Digris AG, a Swiss company, is a powerhouse in the establishment and operation of what is known in the UK as Small-scale DAB.

Founded in 2012 Digris specialises in DAB, operating a network of transmitters throughout Switzerland and France. It operates 19 Single Frequency Networks and over 60 DAB transmitters ranging in power from 6 Watts to 50 kW ERP (MFNs and SFNs).

Digris works closely with the WorldDAB group and has invested in the Open Digital Radio solution. This has allowed rapid implementation of new features as they become standardised (UTF-8 FIG2 label, EDI, LSN linking, service announcement, data-over-dab etc).

The company is also very closely associated with Unikom Radios (the Union of non-commercial local radio stations). Established in 1983, Unikom is an umbrella organisation that represents its members to Ofcom – Switzerland. It also promotes innovation, training, diversity and public service.

Digris has been selected by Swiss Ofcom to deploy a 4<sup>th</sup> DAB network for French speaking residents. The build-out starts with a 27 transmitter SFN planned for commissioning this Autumn.

On appointment, Digris UK would conduct network planning activities, installation, multiplexer management, 24/7 monitoring and maintenance of the transmission system.

3.22 Please provide details of who will be carrying out the installation and on-going maintenance of your multiplexing / transmitter equipment (or the name of your proposed transmission and multiplex provider if you intend to use a third-party organisation for these services). Please also briefly state their previous relevant experience. (Note that any individuals or contractors who cannot be identified at this stage can instead be included in the confidential section (Part B) of the application form.)

Function	Responsible party	Previous experience
Installation of transmission equipment	Digris Ltd	Please see 3.21 (above)
Ongoing maintenance of the transmission equipment	Digris Ltd	Please see 3.21 (above)
Installation of the Multiplexing equipment	Digris Ltd	Please see 3.21 (above)
Day-to-day technical management and maintenance of the multiplexing equipment (if different from response to question 3.28 above)	Digris Ltd	Please see 3.21 (above)

## Timetable for coverage roll-out

3.23 Please tell us how soon after licence award you expect your multiplex service to become operational and achieve the coverage you are proposing:

#### M&S Digital, award to operationally live in less than 10 months

In creating our project plan timeline, we recognise two separate circumstances which have the potential for disruption.

The plan adopted by M&S Digital mitigates both of these.

#### 1. UK hardware supply chain facing stress

With the expectation of 22 multiplex licences being awarded by Ofcom simultaneously (the whole NW macro area), it is reasonable to assume that during the months that follow, there will be a severe strain on the UK transmission hardware supply chain. This can be expected to lead to product shortages, higher prices and delivery delays. Further afield, there is currently evidence of electronic component supply shortage from East Asian countries.

#### 2. Skill shortage in the satisfactory installation of SFNs

There remains a risk that the work of installation and testing of Single Frequency Network transmission systems, to operate within required technical parameters, has been underestimated. This, coupled with the knowledge that there are fewer than a handful of appropriately qualified individuals based in the UK, suggests delay and disruption await many well-meaning Round 1 and Round 2 applicants.

M&S Digital's choice of Digris, a Swiss company already operating at scale with DAB transmission, working alongside, will to a great extent insulate our project from such a supply and skill shortage.

#### Two scenarios

We have considered two detailed scenarios in the pathway to full coverage roll-out, with regard to our project plan.

<u>Scenario one</u> reflects a situation where M&S Digital has time to build and commission its digital radio infrastructure prior to an orderly hand-over from the trial licence holder. This programme of events would avoid substantial listener disruption and assumes the trial operator would work towards this aim.

<u>Scenario two</u> considers the possibility, following Ofcom's award announcement, of an early discontinuation of the trial licensee's service and anticipates the impact of service continuity on listeners. Here we seek to minimise such an impact. While we don't expect such disruption, M&S Digital remains prepared (see Scenario 2. below).

#### Scenario 1.

In order to accurately assess the length of time it will take to reach full operational capability we have identified seven facets to achieve a successful launch.

Company housekeeping

Premises/sites

A.C.I.

Connectivity / Distribution / Synchronisation

**Customer and Carriage** 

Conclusion procedures/compliance

Mast/TX equipment and Multiplexer

Our high-level Gantt chart lists 26 key activities drawn from the seven facets above. While many individual activities (shown in green on the chart) will be resolved within four to eight weeks, certain activities will take longer to conclude. For example, we have adopted a worst-case scenario in terms of time spent resolving any potential risk of undue interference. Although we note Ofcom's new process may be fully implemented by this date, we have still allowed up to 5 months. Additionally for frequency clearance we have allowed up to 7 months. We have shown any such overruns in yellow on the plan.

Supported by the Gantt chart, submitted as **Annex 3**, which illustrates those activities, dependant upon predecessor activities being concluded, we are led to our assessment that without overruns, we can expect to be operationally live within 10 months from award.

The timescale above may be affected by one further aspect over which M&S Digital will have little influence. In order to launch a new service from new transmitter locations, test transmissions and commissioning will be necessary. On award, should the <a href="mailto:same">same</a> frequency block as used by the trial operator (10B) be allocated, then achieving service continuity would be difficult as the trialist would need to cease transmission before testing of the new service could start. Naturally, should an alternative frequency block be allocated, such as one between 7D and 9A for example, the identified issue would not arise. In either scenario, we would like the opportunity to work with Ofcom on the constructive co-ordination of this matter and topics such as the use and application of Eld, Sld and TII codes.

#### Scenario 2.

#### Service continuity

To demonstrate our commitment to ensuring listeners in the trial service area are not deprived of DAB services, for example in the event of a premature cessation of transmissions by the trial operator, we have a separate plan which offers service continuity for listeners. In such a circumstance we would firstly work with Ofcom to find an acceptable licensing solution.

One of the shareholding directors of M&S Digital is Gaydio – Manchester. Gaydio sub-lets out to the current trial operator, room for the transmission equipment and space on their mast for their antenna.

We understand too that Ofcom remains the owner of the trial transmission equipment in situ. The only practical activity to perform is to connect up carriage customers to our own multiplexer and to test the necessary circuits. This could be managed while we await a 'fast track' grant of a temporary licence from Ofcom.

We would need to agree terms with service providers and this would be the subject of a fair negotiation process.

M&S Digital anticipates that in such a scenario, by remaining fleet of foot, we could establish a fully functioning digital radio multiplex service using the current transmission parameters, as a temporary measure, within days, if not hours of any notification.

We would anticipate broadcasting in this manner until our infrastructure (as per the technical plan) is commissioned and signed-off by Ofcom and allowed to become fully operational.

3.24 In addition, please provide, as an annex to be submitted with this application, an outline project plan with timeline (e.g. a Gantt chart or similar) showing the high level activities and tasks leading up to the launch of your multiplex service.

Please see Gantt Chart Annex 3.

# 4. Involvement of C-DSP providers; demand or support from programme providers

## **Involvement of C-DSP providers**

4.1 Is the applicant body proposing to provide its own C-DSP service on the multiplex?

#### NO

4.2 If the answer to the above question is 'yes', please provide a name and brief details of this proposed service. If the service is already licensed by Ofcom, the licence number should be provided:

#### N/A

4.3 If the answer to the above question is 'no', please provide details of any participant in the applicant body that is proposing to provide a C-DSP service on the multiplex. In this context, a "participant" refers to a person who holds or is beneficially entitled to shares in the applicant or possesses voting power in the applicant. If the service is already licensed by Ofcom, the licence number should be provided. Please refer to the nature of the participation (e.g. shareholding or agreement in relation to voting power):

Six participants in the applicant body M&S Digital C.I.C. are C-DSP services, five of which are Ofcom licensed analogue community radio services.

M&S Digital provides these community services with a digital path.

#### The details requested:

#### All FM

All Arts and Media Ltd (All FM) holds 5% of the company's shareholding. This service intends to apply for a C-DSP licence. All FM is licensed by Ofcom: CR000023BA/3

#### Legacy 90.1

Legacy 90.1CIC – formerly Peace Full Media Ltd (Legacy 90.1) holds 5% of the company's shareholding. This service intends to apply for a C-DSP licence. Legacy 90.1 is licensed by Ofcom: <a href="https://creativecommons.org/legacy-90.1">CR000136BA/4</a>

#### **North Manchester FM**

North Manchester FM CIC (North Manchester FM) holds 5% of the company's shareholding. This service intends to apply for a C-DSP licence. North Manchester FM is licensed by Ofcom: <a href="https://dx.doi.org/10.2001/CR0000165BA/4">CR0000165BA/4</a>

#### **Salford City Radio**

Salford Community Radio Ltd (Salford City Radio) holds 5% of the company's shareholding. This service intends to apply for a C-DSP licence. Salford City Radio is licensed by Ofcom: <a href="mailto:CR000035BA/5">CR000035BA/5</a>

M&S Digital is a Community Interest Company with six directors, each with a single vote. One director from among the four radio services listed above, will represent the interests of All FM, Legacy 90.1, North Manchester FM and Salford City Radio.

#### **Gaydio - Manchester**

Gaydio Community Interest Company (Gaydio Manchester) holds 16% of the company's shareholding. Gaydio is represented at board level with a director holding one vote. The company already holds a DSP licence but qualifies for and intends to apply for a C-DSP licence. Gaydio's analogue community radio service is licensed by Ofcom: <a href="Mailto:CR000186BA/2">CR000186BA/2</a>

#### **Reform Radio**

Reform Radio C.I.C. holds 16% of the company's shareholding. Reform Radio C.I.C. is represented at board level with a director holding one vote. The company, an online community radio service, intends to apply for a C-DSP licence.

#### Our approach to involvement:

In February 2021 members of Opendab engaged with Bill Best, Operations Manager of the Community Media Association (CMA) and took his advice on approaching community radio services in the Manchester polygon area. Please see **Annex 4** a <u>letter from the Community Media Association</u>.

Through the good offices of the CMA, a number of Zoom meetings were held between All FM, Gaydio - Manchester, Legacy 90.1, North Manchester FM and Salford City Radio, from which two application models emerged.

One of these was from Sheffield Live's Steve Buckley and one from Opendab. The five community radio services carefully considered both options before agreeing upon which was best for their individual requirements in seeking a digital path in Manchester. By unanimous decision the five services chose to adopt the Opendab proposal of community-led participation in an applicant company. From this point Manchester & Salford Digital (M&S Digital) was created and other community radio services were contacted in order to build-out the range of community services to be carried on the multiplex.

## **Demand or support from programme providers**

4.4 Please provide in the table below (expanding the table if necessary) the names of providers (or prospective providers) of community or local digital sound programme services who have expressed their demand or support for the provision of the proposed multiplex service in the area to be served by the multiplex service. For reasons of transparency, the response to this question must be answered below and should not be provided as a separate annex. The evidence of the demand or support, such as signed heads of terms or emails, should be provided as a confidential annex, and relate only to the specific multiplex being applied for.

The extent of demand or support for the M&S Digital proposed service is evidenced primarily by the 29 services who have signed agreements and/or signalled that they intend to take carriage on the multiplex service.

7 of these are C-DSPs.

M&S Digital is a community-led application which has won support and has encouraged participation from community radio services active specifically within the Manchester polygon area. M&S Digital has also reached-out to other local DSP services and broadcasters from further afield.

As requested, a separate Annex provides evidence.

Name of service provider and station name (if known)	Proposed	Nature of evidence of
	C-DSP or DSP	support provided
All Arts and Media Ltd: All FM	C-DSP	MoU
Legacy 90.1 CIC: Legacy 90.1	C-DSP	MoU
North Manchester FM CIC: North Manchester FM	C-DSP	MoU
Salford Community Radio Ltd: Salford City Radio	C-DSP	MoU

Gaydio C.I.C.: Gaydio - Manchester	C-DSP	MoU	
Reform Radio C.I.C.: Reform Radio	C-DSP	MoU	
British Muslim Heritage Centre: Heritage Radio	C-DSP	Heads of Agreement	
Sunrise Radio	DSP	MoU	
Sonder Radio Ltd: Sonder Radio	DSP	Heads of Agreement	
Care Radio CIC: Care Radio	DSP	Heads of Agreement	
Cheesy FM Ltd: Cheesy FM	DSP	Heads of Agreement	
BBA Media: Westside FM	DSP	Heads of Agreement	
Mom's Spaghetti	DSP	Heads of Agreement	
Madchester Radio	DSP	Heads of Agreement	
Asian Star Radio	DSP	Heads of Agreement	
Angel Radio	DSP	Heads of Agreement	
Mighty Radio	DSP	Heads of Agreement	
Resonance FM	DSP	Heads of Agreement	
Mi-Soul Radio	DSP	Heads of Agreement	
Slack City Radio	DSP	Heads of Agreement	
80s Mixtape	DSP	Heads of Agreement	
In The Mix	DSP	Heads of Agreement	
The Big Cheese	DSP	Heads of Agreement	
Flex FM	DSP	Heads of Agreement	
Like Radio	DSP	Heads of Agreement	
Like Pop	DSP	Heads of Agreement	
Nation Radio UK	DSP	Phone call & email	
Nation 80s	DSP	Phone call & email	
Nation Rocks	DSP	Phone call & email	
Other support for the provision of the proposed multiplex:			
Gtr. Manchester Rock Radio	DSP	Email	
Radio Africana (Salford)	DSP	Email	
Definitely Different Radio	DSP	Email	

Starpoint Radio	DSP	Email
Club Asia	DSP	Email
Redwall studios	DSP	Email
The Buzz Manchester	DSP	Email

# 5. Fair and effective competition

Please detail the measures that have already been taken, and will be taken before and during the licence period, to demonstrate that, in contracting or offering to contract with programme services providers, the applicant has acted in a manner calculated to ensure fair and effective competition in in the provision of such services:

Industry and mainstream media, social media and direct mail campaigns have initiated our relationships with 57 potential programme services.

In our dealings, our transactions have been transparent and in addition, our development of a detailed trading policy, common to all services, will take us forward during the licensed period.

#### Measures taken prior to Ofcom's advertisement announcement

In February 2021 we made contact with five of the eight Ofcom licensed community radio services within the Ofcom Manchester polygon area. These services joined M&S Digital as participants.

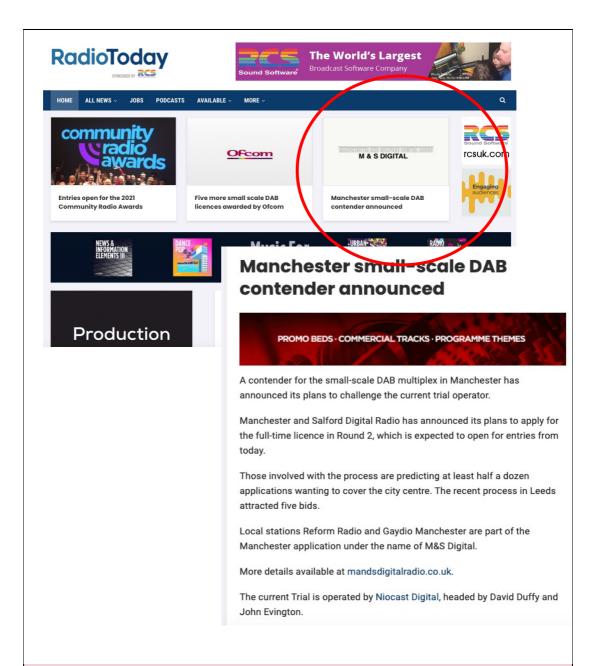
By May 2021, two more community radio services were approached. M&S Digital shared its plans and explained its operating ethos. One of these community radio services signed a multiplex carriage Heads of Agreement. By early June 2021, M&S Digital had reached out to all Ofcom licensed community radio services in the Manchester polygon area.

Underpinning this activity, we launched our website M&S Digital Radio <a href="https://mandsdigitalradio.co.uk/">https://mandsdigitalradio.co.uk/</a> The site, which sets out our intention to apply for this licence, was launched in May 2021. From this point we went on to promote our activities and website more widely. By mid-August our site had received over 1,300 views.

# <u>Approaching a wide range of potential service providers since Ofcom's advertisement announcement</u>

On the day of Ofcom's Round 2 Advertisement of licences, we obtained press coverage in The Business Desk a regional business news portal receiving over a million hits per month

Obtained prominent coverage in Radio Today (driving over 250 hits in seven days to our website). Below is a screenshot of our Radio Today coverage:



#### 25 trial service DSPs

As this application is in response to Ofcom's multiplex licence advertisement for one of the ten areas where a trial licensee currently operates, we took account of the 25 DSP services currently being carried. To ensure we acted in a manner of competitive fairness, we wrote to and emailed out an open letter to each of the 25 services. This was sent within ten days of Ofcom's announcement. Our objective was to afford an early and open opportunity to each of these services, to consider our proposal and should they wish, contact us to discuss carriage options.

A week or so later a total of six of the 25 services currently carried, were signed up or had expressed an interest in the M&S proposition. That figure now stands at <u>eight</u>.

It is perhaps worth noting that another seven of the 25 trial service DSPs are aligned or closely affiliated with organisations which made serial applications in Ofcom's Round 1 advertisements for small-scale radio multiplexes (including the incumbent trial licensee). As a result, as these DSP services may well be potential customers for, or applicants in, rival bids for the Manchester or other neighbouring radio multiplexes, we appreciate that they may be conflicted in any engagement with M&S Digital at this point.

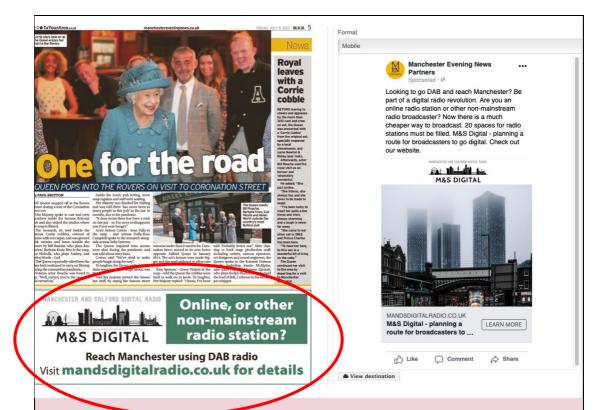
In the event of being awarded the radio multiplex licence, and in the interests of continuity of service provision, we would again make contact with these service providers, with a view to negotiating agreeable terms of carriage subject to capacity availability. Naturally, this would have to be in strict accordance with our multiplex trading policy (see below).

#### A further approach to a wide range of potential service providers

By July 15th we had run a campaign in the Manchester Evening News (M.E.N.). We used a mainstream media outlet to reach two distinct groups, established radio operators who may wish to use M&S Digital as a test-bed for new formats and also, non-aligned online and other radio operators who might not normally be expected to interact with the UK radio establishment.

The M&S Digital campaign was linked to the M.E.N.'s social media platforms (Facebook and Instagram). The campaign was underpinned by print on paper advertisements.

See overleaf (left) our Page 5 coverage shared with Her Majesty the Queen on her visit to Coronation Street. Our acquired presence on the M.E.N.'s Facebook page, linked to our website, is also shown overleaf (right).



#### Campaign analysis

The combined reach achieved from this activity is summarised below:

The campaign increased website activity by 150%.

Our call to action was displayed on just under 60,000 devices and despite our message being somewhat niche for mainstream media, we received 1,412 engagements (2.37%).

470 link clicks from the Facebook presence alone were received.

According to the M.E.N. an effective campaign normally achieves an engagement level of around 1 percent. The M&S Digital campaign achieved more than double this level.

From this promotional activity overall, M&S Digital trusts it can offer to Ofcom, the necessary level of confidence, that as a prospective small-scale radio multiplex licensee, we have approached a wide range of potential service providers.

#### Measures taken in our dealings with prospective C-DSPs and DSPs

Moving on to the negotiation process, our dealings with all prospective digital sound programme providers have been level, open and transparent. Our Heads of Agreement form is standardised with common terms. It shows indicative prices for carriage whether these are heavily discounted carriage costs for community radio (C-DSPs) or showing

more modestly discounted charges for locally-based DSPs. The full standard indicative price is also shown in the agreement, for comparison.

#### Measures we will take during the licence period

Our website will showcase our finalised carriage charges and the process for applying for carriage. We will pledge on the website that we will not charge more than the rate-card rate shown.

To promote competitive entry, applications for carriage will not be assessed purely on economic grounds.

To this end we have developed a trading policy. Our policy for trading in a fair and competitive environment embodies four overarching thresholds and our application process will be a three-stage process. Our thresholds include aspects such as localness, extent of appeal and robustness of the proposal. Applicants will be encouraged to make their case in the submission of their expressions of interest. Our process includes sifting and reviewing applications and placement on a waiting list. Upon conclusion, uniform carriage agreements with shared basic terms will be issued to service providers.

A full copy of our policy can be made available to Ofcom on request.

We believe that in adopting this structured approach, we will demonstrate fairness in a manner that will stand up to scrutiny.

In summary, M&S Digital can be seen to have developed a rigorous framework with defined areas of activity. This framework when taken as a whole, can be seen to have been constructed in a manner calculated to ensure fair and effective competition in the selection and engagement of programme services for carriage on the M&S Digital - Manchester small-scale DAB radio multiplex.

# 6. Declaration

- a) I hereby apply to Ofcom for the grant of a licence for the small-scale radio multiplex licence described above and declare that the information given in this application form is, to the best of my knowledge and belief, correct.
- b) I further declare and warrant:
  - that the applicant is not a disqualified person within the meaning of that expression as defined in Part 2 of Schedule 2 to the Broadcasting Act 1990, as amended, or as a result of a disqualification order under section 145 of the Broadcasting Act 1996;
  - ii) that having made all reasonable enquiries neither the applicant nor any person controlling the applicant, as result of the grant to me of the licence, breach any requirement of Schedule 14 to the Communications Act 2003 with regard to the accumulation of interests in broadcasting services or to the restrictions on cross-media interests;
  - iii) that the applicant is not disqualified by virtue of the provisions of section 143 (5) of the Broadcasting Act 1996 in relation to political objects and the provisions of section 144 (3) of the Broadcasting Act 1996 in relation to the provision of false information or through the withholding of information with the intention of misleading Ofcom; and
  - iv) that no director or person concerned directly or indirectly in the management of the Licensee is the subject to a disqualification order as defined by section 145 (1) of the Broadcasting Act 1996.
- c) I understand that Ofcom reserves the right to revoke the licence (if granted) if at any time any material statement made to Ofcom is found to be false and to have been by the applicant or any member or officer thereof knowing it to be false. I also understand that under sections 144 and 145 of the Broadcasting Act 1996, the provision of false information could incur a criminal conviction and a disqualification from the holding of a Broadcasting Act licence. I further certify that, to the best of my knowledge, any matters which might influence Ofcom's judgement as to whether the directors and substantial shareholders involved in this application are fit and proper persons to participate in a radio licence, have been made known to Ofcom.

Full name (BLOCK CAPITALS) of the person authorised to make the application of behalf of the applicant:

PAUL BOON
-----------

Date of application:

26 August 2021

I am authorised to make this application on behalf of the applicant in my capacity as (delete as appropriate):

#### **Company director**