

**FROM THE OFFICE OF
JOHN GROGAN MP**

Peter Davies
Ofcom
Riverside House,
2A Southwark Bridge Road
London SE1 9HA

28th June 2007

Dear Peter,

Localness

I write in response to Ofcom's consultation on the Future of Radio, specifically on the issue of localness in the provision and regulation of local radio.

As Ofcom has made clear the overall amount of listening remains as high as ever and listeners are benefiting from a rapid increase in the number and range of stations they can choose from, including new community stations, additional local and national services and stations from around the world via the internet. All of this choice is available across a wide range of platforms from traditional AM and FM radio, to digital radio via DAB, digital television and the internet. No doubt other technologies will arise over the coming years.

While I recognise that this change brings new challenges through increased competition for listeners and revenues along with increased costs through the need to invest in new infrastructure, I do think that at root, local radio should be local. It is and will remain important for the BBC to be kept on its toes by commercial competitors at the local as well as national level, guaranteeing an independent voice in the provision of local news and local content. In thinking about any minimum level of localness therefore, I do think that Ofcom should heed the warning of the American experience, specifically following the deregulation of the radio sector in 1996.

In 1995, Clear Channel owned 43 radio stations and 16 television stations. In 1996, the Telecommunications Act of 1996 deregulated media ownership, allowing a company to own more stations than previously. Subsequently Clear Channel went on to purchase more than 70 other media companies, plus individual stations, spending around \$30 billion in developing a network of 1,200 stations nationwide, with as many as seven stations in certain markets.

Of the many criticisms Clear Channel has faced has been the way in which they have removed the local aspect of many of the smaller stations it purchased around the country. First through the syndication of shows and second through the use of technology that allows a DJ from anywhere in the country to sound as if he or she is broadcasting from anywhere else in the country, on any other station meaning that some smaller market stations are partially or completely staffed by automated DJs. This has been used by Clear Channel to eliminate or reduce on-air staff positions with a concomitant reduction in the amount of local news and programming contained within their output.

It is notable that in November 2006 when Clear Channel sold a great many of it's assets to a private equity firm, it also announced it's intention 'to solicit buyers for 448 radio stations in selected small markets'. Increasing uniformity and a general lack of local diversity do not necessarily seem to lead to commercial viability. As such, I think it imperative that in reaching a decision on the minimum level of localness, plurality and diversity are put at the very heart of any framework.

Yours sincerely

John Grogan
Member of Parliament for Selby Constituency