



GUARDIAN MEDIA GROUP

GMG/JS/FMcC/1066

Peter Davies
Director of Radio and Multimedia
Ofcom
Riverside House
Southwark Bridge Road
London
SE1 9HA

20th June 2006

Dear Peter

Further to our recent meeting regarding GMG Radio's proposed acquisition of **96.3 QFM** from its current licensee UTV Radio, I am pleased to formally request Ofcom's approval for re location of studio facilities from existing premises in Sussex Street, Glasgow G41 1DX to Real Radio's current location at Glasgow Business Park in Baillieston G69 6GA.

Please note that this request should not be taken as an indicator for Format change in the broad outline of current Licence area, Definition of Output or Character of service/detail.

We do sincerely believe however, that **96.3 QFM** and its audience will benefit, prosper and grow by the re-housing of the service in to the GMG building. Which will also create new job opportunities for this depressed area of Renfrewshire.

Currently the station's branding indicates a clear affinity to the wider Renfrewshire area of Glasgow with an estimated MCA of 704,046 listeners and claims a TSA of 690,000 Adults 15+ in RAJAR, which was reduced from 858,000 at the end of 2004. Unfortunately within this current TSA the station has never achieved higher than 8% weekly reach (57,000) with the best average listening of 7.4 hours and a 3.2% market share. Currently it is only reaching 46,000 listeners and more importantly, it has recently been down to a very low 4% (28,000) reach and is clearly finding it difficult to compete in the market it serves.

The audience delivery factor alone indicates that **96.3 QFM** struggles to attract revenue from its own and the wider regional and national markets.

By re-housing **96.3 QFM** to Real Radio in Glasgow, whilst the location is just slightly to the East of the current Paisley FM MCA (as published on the Ofcom website) we believe there will be immediate and tangible benefits to the stations output and ultimately to its commercial viability and long-term future. So therefore whilst retaining the format, we believe that the focus and direction of the station can and will be dramatically improved.

96.3 QFM within its new home will become part of the hugely successful GMG/Real Radio culture but retain its geographical focus on Renfrewshire/Paisley in particular. There are numerous and obvious benefits of having one building rather than two separate ones and apart from natural cost savings they include:

- Inclusion for current staff in to shared training for presenters, news and sports journalists.
- Immediate access to on site engineering, IT and production facilities.



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- Inclusion within focussed and professional marketing and PR initiatives.
- Retained separate studios and office/reception facilities.
- Focussed on-site management and stability.
- Focussed local news reporting with additional access to Real Radio newsroom.
- Double the news output from the minimum 6 local bulletins a day to 12 bulletins during weekdays. We would also carry local bulletins on weekends for which there is currently no requirement (We are happy to enshrine this in the Format)
- Increase the news service from 5 days per week to 7 days per week.
- A focus on the growth of local sales but with improved sales support and facilities. Allowing a lower entry level for local Renfrewshire businesses that are unable to afford advertising on the bigger commercial stations that are dominant in this market.
- Shared sales training and incentive initiatives.
- Become part of the existing in house Regional/Agency station portfolio.
- Become part of the existing National Sales station portfolio.
- Current staff will have access to in house personnel department and inclusion in employee opinion surveys.
- Centralised Group traffic and accounts access.
- All staff training assessment to IIP standards and inclusion in PEP scheme.
- Improved general communication methods.
- Increased focus on listener attitudinal research.
- Re-housed location is just off the M8 motorway and has ample parking facilities with easy access to current staff and visitors.

Therefore in summary, our purpose through acquisition of **96.3 QFM** is not to dilute any of the localness and character within the output or reduce what can only be described as limited loyalty to the station. In fact the new station will enhance the news proposition and provide a bespoke news service for it's unique transmission area. Representing a 140% increase in local news output.

We very much believe the re-house will bring new life and vitality to Renfrewshire's own local station and our mission will be to build on the principles of generating new audiences and revenues through improved programming initiatives and investment. We will concentrate focus on growth and future stability and already have great encouragement from what was achieved with the old Leith based Scot FM when we moved to Glasgow and re-launched the same format as Real Radio.

I hope this provides sufficient detail and please let me know if you have any further questions on this request.

With best wishes

Yours sincerely

John Myers
Chief Executive
GMG Radio