

Title:

Mr

Forename:

William

Surname:

Rogers

Representing:

Organisation

Organisation (if applicable):

UKRD Group Limited and The Local Radio Company

What do you want Ofcom to keep confidential?:

Keep nothing confidential

Ofcom may publish a response summary:

Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Comments:

Whilst the report upon which we are making comment is intended to represent a "rounded" approach to the issues it raises, it is disappointing that it seeks to connect each different component part to another and present the proposals as one set of inter-connected policy considerations. The issues which are addressed are, in many respects, not at all connected and it is regrettable that differing component parts of a consultation on disconnected policy issues are drawn together irrespective of whether it is appropriate.

The obsession that some organisations seem to have for the need for so called "joined up thinking" is often presented as being an attempt to gather together a number of different issues and then to drive an overall policy approach, when in fact it is merely an instrument to produce a result desired by those who have written the report in the first place.

All of the above noted, it is encouraging that Ofcom is giving serious consideration to a

number of issues which, for far too many years, it has hitherto singularly failed to adequately address. This is an opportunity to move with the grain of the sector and market situation generally, as opposed to running the regulatory framework against it as well as correcting what were the errors and failings of The Future of Radio; a missed opportunity of major proportions. We welcome the opportunity to respond to this consultation as well as what appears to be Ofcom's readiness to consider changes in regulatory policy which have to date been out of the question. It is our hope that this consultation is a genuine attempt by the regulator to address some fundamentally important issues affecting the sector and not merely a set of proposals designed to give hope without any serious likelihood of implementation; a path we have all sadly travelled too many times before!

Proposal 1: regional stations allowed to share programming to become national stations:

We broadly support this proposal to permit sharing of programming at this level. That said, we fail to see the logic in the argument that this should only be permitted by Ofcom were those stations to provide a version of their programming on a national DAB multi-plex. Why? These are, in essence, music-brand-led radio offerings and whether they are on a national multi-plex or not, they should be permitted to share their programming as appropriate to their needs.

Proposal 2: creation of a new national multiplex from existing regional multiplexes:

This proposal results from a number of strategic errors of judgement from the Government, regulator and industry. Whilst DAB is clearly the chosen route we are all now required to travel, it becomes clearer week by week, that we do so in spite of all the evidence which points to a contrary position. First, DAB is a producer desired objective and not a consumer driven product. Some ten years on and with only 13% of the market spoken for through this particular medium, it will take years to deliver what is required for serious change to be effected with millions of pounds of investment being sucked out of the industry, doing immense damage to the sector in the process. The fact that we are now confronted with this proposal is evidence enough that we are having to cobble together a sticking plaster of a policy to give yet further assistance to the DAB model as it continues to falter and stumble on its journey to imposed acceptance. As is the case with the whole concept of DAB, this proposal will inevitably result in a diminution of locally/regionally based programming capacity and the undermining of the capacity of the commercial sector to hold and grow its market share in the local radio marketplace; its greatest strength. This proposal will inevitably happen because it has to. It has to because it is the only way to deliver the policy objectives flowing from an ill conceived programme of DAB development which was never satisfactorily thought through in the first place. A policy which failed to grasp the basic concept that if change is to come to the radio sector, then it should be a change to migrate the whole sector and not just a few chosen brand focussed music led offerings represented by the interests of the big groups and, more importantly, because the listener wanted it. DAB, is, sadly, likely to see the demise of a number of successful and popular radio stations whose days will be numbered not because their listeners have determined it to be so, but because Government, regulator and some radio executives who should have known better, say so. This proposal simply accelerates the move from more choice to less, and more national focus and less local regional capacity. All an inevitable consequence of failed policy and the need to patch it up to make it work!

Proposal 3: co-location within a new set of defined areas:

We are generally sympathetic to this proposal but would urge caution in terms of the areas and the size of them into which co-location would automatically be agreed. Clearly, it is a nonsense that where two, three, four or how ever many stations may exist, all of which could effectively be co-located together and still provide a good standard of genuinely local programming, should be prevented from doing so. To that extent, Ofcom's proposal is to be welcomed. However, we do believe that there is a point at which the movement away from a readily defined broadcast area will mitigate against the provision of local broadcasting upon which local commercial radio is built. Co-location is not always the answer to the woes of a local commercial radio station. The major issue for the commercial radio sector is one of scale at the lower end and not simply the flexibility to co-locate. The fact is that there are too many small commercial radio stations in this country that should never have been licensed in the first place, and co-locatioj is not necessarily the answer to all their woes. However, we support the approach being adopted but would urge caution when considering the regional nature of the areas proposed in which co-location would automatically be delivered. It is our view that the present TV regions are too large an area.

Proposal 4: programme sharing within the newly defined areas:

This is one area which we warmly welcome and also congratulate Ofcom in terms of it's approach, and urge it to implement these changes as soon as possible. This is an area of policy we have been arguing for for a number of years and is the one proposal in Ofcoms document which genuinely seeks to address the main commercial issue which commercial radio faces; scale at the lower end of its operation as a sector. With far too many small scale radio stations in the country, all operating in a much more cluttered and crowded media space, this affords operators, with Ofcoms assistance, the opportunity to re-draw the radio map in such a way as to maintain localness whilst at the same time, ensuring the commercial viability of otherwise endangered radio operations. This proposal will unquestionably improve the viability of many smaller scale stations as well as secure local commercial broadcasting in a number of areas in the country. It will also facilitate a necessary streamlining of the sector at the smaller scale end and afford those operators who wish to do so, the opportunity to invest in their businesses rather than continually fund losses before inevitably selling the station on to another to fund those same losses, or close it down and return the license. There will clearly be particular instances whereby certain stations may not fit within the regional geographical areas proposed and it is hoped that Ofcom will show sufficient flexibility and common sense to permit sensible proposals when a case by case assessment needs to be done. This is warmly welcomed and it is our view that this is the most significant proposal contained within this document.

Proposal 5: mergers of local multiplexes:

Again, another example of the consequences of a failed digital strategy and the need to apply a plaster to the wound. Inevitably this is a necessary action in light of the poorly planned and uneconomic situation this part of the radio sector finds itself stuck with, and so we broadly support this proposal. One consequence of this proposal will be to endanger the long term future of some highly successful and popular local stations and so if the merger of local multiplexes is to take place, then there must be opportunity for operators to provide a service to a smaller transmission area within the larger area intended. If this is not something which is available to existing local stations, many will either be denied the opportunity to migrate

or, alternatively, will have to change their offering, increasing their editorial coverage area so significantly in some cases, that they lose the very reason for their existence. With all of the above caveats, we accept that this is a necessary proposal in order to prop up the shambles that has been the DAB strategy to digitalise the radio sector to date.

Proposal 6: an enhanced news option for local FM stations:

We are relaxed about this proposal. Local news is an important part of the programme delivery that identifies a local station as being local. Clearly, how it is delivered is a matter we all may debate, but that it should be an integral part of what a local station broadcasts is an entirely appropriate matter for regulators to consider.

Proposal 7: AM stations:

We have no comment to make other than to support the proposal.

Proposal 8: Limited redefinition of contemporary music Formats:

It is our view that music should not be the subject of a regulatory requirement imposed by the regulator on a station. If a radio station wishes to play a particular genre of music it should be allowed to do so. If it wishes to change that genre, it should be allowed to do so. It is completely nonsensical that a regulator should be determining in this day and age what is or is not an appropriate database of songs a radio station should play. Music format regulation should be scrapped. If the listener decides they don't like a product, they'll go somewhere else! If a radio station would like to change its music offering in light of what it perceives to be changes in its market, or the shifting position of one of its competitors, it should be permitted to do so. BBC radio's 1 and 2 have both changed their music offerings significantly during the last five to ten years and have done so at a time when commercial radio and its music policy has been stuck in regulatory aspic. It is a sad reflection upon the nature of the regulation applying to the radio sector generally, that we even need to be having this debate!