



## **Voluntary Disclosure Notice**

### **Re: proposed extension of the terms of the sound broadcasting contract for the North East and Midlands region currently held by iRadio North East and Midlands Limited trading as iRadio NEM**

**6<sup>th</sup> July 2017**

The Broadcasting Authority of Ireland (BAI) hereby provides a voluntary disclosure notice of its intention to extend the term of the following sound broadcasting contract (“the Contract”):

#### **The Contract**

**The Contract issued to iRadio North East and Midlands Limited trading as iRadio NEM, a wholly owned subsidiary of Wilton Radio Limited, dated 3<sup>rd</sup> November 2008 which is due to expire on 2<sup>nd</sup> November 2018.**

The Contract provides for the regional, youth music-driven sound broadcasting service for the North East and Midlands Region (serving the counties Louth, Meath, Cavan, Monaghan, Kildare, Northeast Laois, Offaly and Westmeath).

#### **The proposed extension of the term of the Contract**

It is the intention of the BAI to extend the term of the Contract from 2<sup>nd</sup> November 2018 to 31<sup>st</sup> December 2019.

As a consequence, an open contractual award procedure in accordance with Part 6 of the Broadcasting Act 2009 for the award of a new Contract for the North East and Midlands Region will be deferred until mid-2018.

#### **The Reasons for the proposed extension of the term of the Contract**

The Authority has taken into account in particular the following matters:

- The difficult market conditions in the radio broadcasting sector which have particularly impacted upon newer broadcasting services licensed by the Authority over the past 10 years. These market conditions have been created by a more competitive environment for national advertising revenues, substantial changes in media consumption patterns and uncertainties resulting from the outcome of the Brexit Referendum. In this environment, the Authority is formulating a new Licensing Plan for the 2018/2019 years which is likely to impact upon the structure of future broadcasting services to be provided in the North East and Midlands franchise area.
- The Authority has also commenced preparatory work on the development of a new Broadcasting Services Strategy which will set out the Authority’s policies and future approach in relation to the licensing of sound broadcasting services. Core parts of this new strategy will include a detailed review of the present sound broadcasting market place, an examination of the viability and



sustainability issues which have arisen for broadcasters over recent years and what radio model/models will be best suited to the evolving media landscape. The contents of the Authority's new Broadcasting Services Strategy will impact significantly upon the considerations which should inform the future licensing of sound broadcasting services including in the regional franchise area of the North East and Midlands. In such circumstances, it is considered necessary and appropriate for the award of a new broadcasting contract for the North East and Midlands regional franchise area to be conducted in the context of the new Broadcasting Services Strategy which should be completed in late 2017.

- In February 2010, it was necessary for the Authority to approve a number of cost cutting measures to ensure the viability of iRadio NEM and of the regional youth broadcasting service in the North West franchise area (where the current contractor is iRadio Limited, trading as iRadio NW). This included approving the co-location of both services, the sharing of staff and the introduction of a single programme schedule. Further to this, it was necessary for the Authority to approve further integration of the services and a reduction in staffing levels during 2011 so that the two services were effectively authorised to operate on an integrated and shared basis for the remainder of the current broadcasting contracts.

In light of these factors, the Authority considers that the award of a new broadcasting Contract for the North East and Midlands franchise area should be delayed for a period of some 14 months in order to ensure that the Contract would be awarded in a manner consistent with the Authority's new Broadcasting Services Strategy and its Licensing Plan for 2018/2019. It is considered that such an approach will provide the best opportunity to establish financially viable broadcasting services for the North East and Midlands franchise area over the medium to long term. To ensure the orderly continuation of broadcasting services in the intervening period, it is considered necessary for the Authority to extend the term of the current Contract to 31<sup>st</sup> December 2019.

### **Opportunity to make submissions against the proposed extension of the term of the Contract**

The Authority has published this Voluntary Disclosure Notice in order to inform any parties potentially interested in securing the contract for the regional, music-driven (youth) sound broadcasting service for the North East and Midlands franchise area of the Authority's intention to grant an extension to the term of the current Contract so as to allow the incumbent operator to continue to provide the relevant broadcasting service up to 31<sup>st</sup> December 2019. Any interested parties are invited to make submissions within 21 days of the publication of this Voluntary Disclosure Notice if they object to or oppose the proposed extension of the current Contract to 31<sup>st</sup> December 2019. In any such submissions, the relevant interested parties should indicate the grounds upon which it is considered that the granting of the proposed limited extension of the current Contract to 31<sup>st</sup> December 2019 will have an adverse impact upon that party, including full details of any adverse financial consequences which are alleged to arise from the proposed Contract extension.

Any such submissions received by the Authority within 21 days of this Notice will be considered by the Authority before a final determination is made regarding whether the proposed extension to the terms of the current Contract held by iRadio North East and Midlands Limited should be granted.

The written submissions from interested parties are required to be completed in accordance with the format set out in the *"Guide to Submissions: Notification of Intention to Extend the Terms of a Sound Broadcasting Contract for the regional music-driven (youth) sound broadcasting service for the North East and Midlands*



region” which is available on the BAI’s website or on request from the BAI’s offices (email: [licensing@bai.ie](mailto:licensing@bai.ie) or call 01 644 1200). Completed submissions should be submitted by **12 noon, 27<sup>th</sup> July 2017**.

Please note that submissions in response to this Voluntary Disclosure Notice will not be regarded as an application for the award of the Contract.

Any written submissions in response to this Voluntary Disclosure Notice as set out above should be forwarded to:

**Jill Caulfield**  
**Broadcasting Authority of Ireland,**  
**2-5 Warrington Place,**  
**Dublin D02 XP29.**  
**T: 01 6441200**

Cuireann an tÚdarás fáilte roimh comhfhreagreas i nGaeilge.