

## **Digital switchover of television and radio**

### **A CALL FOR EVIDENCE**

**SUBMITTED BY PHIL MOAKES ON BEHALF OF  
FROME COMMUNITY PRODUCTIONS CIC**

Frome Community Productions CIC,  
The Old Fire Station  
Christchurch Street West  
Frome  
Somerset  
BA11 1EH

07968 726196

[office@fromefm.co.uk](mailto:office@fromefm.co.uk)

### **Executive Summary**

- I. FCP believes that
  - a. Digital switch over for radio should happen sooner rather than later in order to free up FM spectrum.
  - b. DAB is an acceptable, although limited digital standard.
  - c. Digital switch over for radio should embrace both DAB and Internet Radio
  - d. Manufacturers of domestic (in homes) and mobile systems (in car and on phone) should be encouraged to incorporate DAB, Internet Radio and FM into their devices.
  - e. FM must remain a viable means of receiving radio output in both the commercial and domestic market places.
  - f. The development of internet radio should be actively supported by Government.
  - g. A 'kite mark' or light touch license should be made available for responsible or semi professional internet broadcasters who choose to take up the option, to provide confidence, compliance & accountability to the listener.

## **Background and Context**

2. Frome Community Productions (FCP) is a Community Interest Company established by volunteers in Frome, Somerset. Its primary role is the delivery of an internet based community radio service called FromeFM. FCP expects OfCom to announce invitations for a 3<sup>rd</sup> round of FM community radio licences in 2010 and, if invited, FCP will be making an application. Currently FCP has around 80 volunteers, producing appx 20 hours of new radio programmes per week, broadcasting 24/7 via the internet delivering 'listen now', 'listen again' and 'podcast download' services as well as a 'listen now' stream, for data equipped mobile telephones. The services are regularly consumed by appx 500 unique listeners (listen now) per month and the listen again and podcast services collectively account for around 1200 downloads per month. FCP considers itself a typical small scale community broadcaster.
3. The Lords are seeking evidence, views and opinions on Digital Switch Over. The contribution from FCP is restricted to the question with respect to radio.

## **Switch over and FM Spectrum Availability**

4. As a community broadcasting FCP's specific area of interest is in the availability of FM spectrum. Ofcom have yet to announce if they will be undertaking a 3<sup>rd</sup> round of community radio licences, but have already issued a warning that FM spectrum may not be available in some parts of the country. Given that around 200 community stations have already been licensed, this would imply that there is likely to be a ceiling imposed for technical reasons on community broadcasting over the coming year.
5. Given a ceiling for community radio licences due to the lack of availability of FM spectrum, FCP welcomes a switch over for main stream services, so that adequate FM provision is freed up to enable much wider community take-up. If the switch over does not establish a rapid timetable, then the roll out of community licences will slow dramatically, leaving a demand gap.
6. Community Radio has a huge potential for helping to deliver economic and social regeneration and social cohesion, whether as an internet based or FM service. It helps communities to find their own voices, understand their own problems and find their own solutions. It brings artists, writers, musicians, businessmen, entrepreneurs, politicians, community leaders and the rest of us everyday folk together to make a contribution. It can be informative, entertaining and inspirational.
7. Community Radio is still in its infancy in this country. If accelerated digital switch over for radio frees up FM spectrum to enable wider community radio take-up, then that can only be a real benefit to both the local and national community.

## **DAB as an appropriate digital standard - overview**

8. FCP's view is that DAB is one solution for digital switch over of radio, but **web based internet radio offers significantly more advantages to DAB and should be developed alongside**. FCP's reasons for this view will be explored further within this evidence.

## **Risks of switch over**

9. When mainstream radio migrates to digital, there is a risk that FM will rapidly become obsolete.
10. DAB take-up has been slow partially because of the cost of DAB, but also because FM has the maximum reach into consumer behaviour. Almost everyone has access to an FM receiver. Consumers will be reluctant to embrace change unless they are actively led to it.
11. Our experience as an internet only broadcaster has shown that, although the public is very much now attuned to working digitally with social networking and email, there is still resistance in using the same technologies for mainstream 'entertainment', despite the huge impact of the BBC iPlayer and Youtube.
12. This reluctance is partially generational but in our experience the biggest obstacle is a perception of complexity.
13. We have also observed institutional resistance to new digital access channels - they are seen as less credible than traditional FM broadcasts. When FCP approaches local businesses as potential sponsors, they are more interested in supporting short term (2 to 4 week) FM broadcasts than regular 52 week internet broadcasts, even where cost isn't a factor. There is a perception that FM will attract more listeners and is less complex for the listener to receive.
14. RAJAR have recently announced statistics that confirm a large increase in consumer take-up of internet based radio services. Formal switch over will force both the consumer and the manufacturer to migrate and reinforce the validity of digital to the business community.
15. **Switch over to digital must not result in the loss of household & widespread FM capability** This is a real risk, since the market will migrate to devices and channels upon which the market leaders broadcast . To maintain competitiveness, manufacturers may remove functionality, such as FM, from their devices. If FM capable devices become scarcer or expensive, then community broadcasting and other legacy FM broadcasters would be paying the price for digital switch over.

## **DAB as an appropriate digital standard – further detail**

16. The Lords have asked about DAB and whether it is appropriate as a digital standard. There will be many technical debates about DAB, but we would like to address the issue of capability and value for money for the consumer.
17. Locally, our DAB service delivers a choice of around 30 stations. The quality is variable, but broadly speaking it works well. However, wifi internet radio receives around 10,000 stations from all over the world. The cost of a good internet radio receiver (if a computer is not used for the task) is probably slightly higher than that

of a good DAB radio. However, whereas consumers have a choice of perhaps 10 DAB equipped radio sets at the local electrical store, there is probably only a choice of 2 wi-fi internet radios.

18. The internet radio receiver provides a solution to the consumer that removes much of the complexity discussed earlier. It looks and feels like a radio, whilst, internally being a computer. If you accept the Government's aspiration for a Digital Britain, then it follows that the capability to receive digital media should also become more accessible. Internet radio sets contribute to that aim.
19. FCP's opinion is that whilst DAB offers an acceptable service, the future is with internet radio. This is particularly interesting when you link it with the advances in mobile technology. Our FromeFM internet radio service broadcasts can be received on data equipped mobile telephones via 3G. Typically a listener will connect their mobile telephone to their car stereo (it connects like any MP3 player) and listen to FromeFM en route to and from work. The quality and connection is consistent – FromeFM delivers a lower bandwidth version for mobiles, but it is as good as most DAB and FM stations and considerably better than most AM stations.
20. Manufacturers of car stereo systems have been slow to move to DAB for their own reasons, but we would argue that mobile data technology is now ready to take a further leap and become common place in the car so that a car stereo system can access quality internet radio.
21. In summary, **we believe that the Government should consider adopting both DAB and internet radio as their strategy** for achieving digital switch over for radio.

### **Licensing and Regulation**

22. If the Government were to adopt this approach, they would have to consider the issues of licensing and regulation.
23. FM/AM and DAB broadcasters are subject to licensing and regulation by OfCom. This provides accountability, confidence and compliance with standards. It is however complex, relatively expensive and exclusive.
24. Whereas FCP would not recommend the introduction of a licensing system for all forms of internet broadcasting, we believe that **there is a case for a light touch licence – almost a kite mark - for responsible internet broadcasters, who choose to take up the option.**
25. FCP operates its FromeFM internet service in the spirit of, and as far as possible in accordance with, the guidelines laid down by OfCom for licensed FM broadcasters. It is licensed by PRS and PPL to 'webcast', is covered by public liability insurance. It is also mindful of its responsibilities to Companies House and The Community Interest Company Regulator. In short it operates as a responsible internet broadcaster.
26. FCP is of the opinion that the development and support of responsible internet broadcasting would benefit both the community and the aspirations of digital switch

over since it would deliver a regulated and licensed layer comparable to, but less complex than, FM licensing.

27. The demand for FM spectrum is greater than its availability, so it is inevitable that, if community broadcasting for example continues to gather pace, the broadcasters who will not have access to FM will migrate themselves to internet broadcasting.
28. The terms and conditions for being accredited as a responsible internet broadcaster (i.e to receive the 'kite mark') will need to be established, however we would suggest that the core of the existing requirements for an FM licensee should apply. For example, we would expect the broadcaster to be a formally constituted body such as a company or a community interest company and that the organisation would 'sign up' to OfCom's Broadcasting Code of Conduct.
29. Although being accredited as a responsible, licensed and regulated internet broadcaster will not overcome discrimination in the market place, it would add a layer of credibility and confidence that would help such a broadcaster differentiate themselves from an association of people webcasting from their back bedroom.
30. We have stressed light touch regulation earlier in this evidence and we would like to make that point again. The existing regulatory overhead for FM broadcasting is complex for community broadcasters. A future, voluntary regulatory environment for responsible internet broadcasting needs to be light touch, effective, responsive to change and affordable.

## **Summary**

31. FCP believes that
  - a. Digital switch over for radio should happen sooner rather than later in order to free up FM spectrum.
  - b. DAB is an acceptable, although limited digital standard.
  - c. Digital switch over for radio should embrace both DAB and Internet Radio
  - d. Manufacturers of domestic (in homes) and mobile systems (in car and on phone) should be encouraged to incorporate DAB, Internet Radio and FM into their devices.
  - e. FM must remain a viable means of receiving radio output in both the commercial and domestic market places.
  - f. The development of internet radio should be supported
  - g. A 'kite mark' or light touch license should be made available for responsible or semi professional internet broadcasters who choose to take up the option to provide confidence, compliance & accountability to the listener.