

The Rt. Honourable Chris Smith MP
Minister of State for Culture, Media & Sport
(address)

Thank you very much for popping into our joint event with The Voice Newspaper at the Labour Party Conference in September, we realise how many commitments you had that evening and it was very good of you to pop in for a few moments to see us. I am writing to you about the consultation that the BBC are undertaking about the development of digital radio and particularly concerning the station they are calling Network X. We feel it would be appropriate, since the BBC will require your permission before developing this service that we let you know our views about these proposals. We are also using the majority of this letter as our response to the BBC.

The next few years will be crucial for the development of digital radio. Unlike digital television, it will inevitably take off much more slowly and the uptake by the public generally is difficult to gauge at this stage. The BBC and the commercial sector are investing considerable sums in the development of digital radio, which says a lot about their confidence that this will be an important and popular new development.

It is remarkable that the commercial sector has invested at the levels it has, given that there is no certainty in the development of digital radio, and the effect it has on their current plans.

How the BBC develops its services will have an impact on the development of commercial services. The interaction of BBC services is a constant source of debate often centring around the role of Radio 1, but also some of the BBC's other services. It is our view that given the license fee background and the public service ethos, it is important that the BBC fills the gaps that the commercial sector would have difficulty in achieving. We were pleased to note that Sir Christopher Bland in his recent letter accompanying the consultation booklet, said the following "The BBC Governors have a responsibility to ensure that services the BBC proposes to offer represent the best interest of our audience and make good use of license fee money. This is done by measuring and monitoring proposals against five criteria". Three of these are very pertinent to our case about their new radio services:

- a) It must provide a distinctive mix of programmes and content
- b) It must help the BBC deliver its core public service objectives
- c) It must be of public value and appeal to license payers.

We understand and welcome the fact that the BBC has recognised that there is an audience in many parts of the UK for a black music station. This is very similar to a bid that we have submitted for various regional digital multiplexes. Where we will be trying to network to a community of interest, an urban black music radio station. There is a neglected audience within many areas of the UK, but this is not an extensive audience and competition could mean one of two things. Either the BBC ensures that there is no activity within the commercial sector producing a genuine urban black music sound. Or, the BBC's black music station will move towards the centre and will become increasingly like parts of Radio 1 and parts of the commercial sector at present.

Neither of these scenarios can be ones that your department would welcome, or would provide genuine choice and diversity for listeners in the UK. This will be particularly ironic given the years of effort and investment stations like Choice FM have put into black music. It was very noticeable at the recent Mobo Awards how significant black music has become and also when Craig David who won three awards that evening received his first award, he immediately thanked Choice FM for the work that they had done in promoting his music and his style of music.

The BBC has immense power in a situation such as this when a new service is being developed. What the BBC does or is allowed to do, will dramatically affect what the commercial sector can provide. And it is important bearing in mind Sir Christopher Bland's three points. That they provide a distinctive service that really fulfils their public service objectives and satisfies an audience that the commercial sector would never have the resources to achieve.

In our view, the BBC should be taking the idea currently called Network X and refine it further. There is definitely a need for a more culturally diverse station, that can serve the needs of the black community. It is nevertheless curious that the BBC will be offering the Black community a music based and the Asian community a speech based service. We feel there is a need for a different mix, one that gives more prominence to speech. This station could relate to the World Service and other BBC services in a very productive and efficient way. There is a great desire within the black community for news from "back home" for information about sports activities "back home" and cultured information that could include a range of activities from poetry, arts, theatre etc. There is also a vast canvas of ideas that relate to black Britons and their lives in the UK. These could be anything from employment, health and a wide range of other social issues, but would also include the vibrant and expanding black cultural sector. This would include music, but only as one element within a wider range of activities.

The BBC at present sits on a vast archive of material concerning Africa, Caribbean and Black Britons. The use of this material would be greatly welcome by the black community. This mix of speech, culture, history and music would allow the BBC to develop an exciting and stimulating station, which would be a really creative area to develop black radio talent in management, production, presentation and a variety of other skills.

Current commercial, local and regional digital plans means that black urban music will be more than adequately covered across the country by stations such as Choice

FM, Galaxy and Kiss FM. It is unreasonable and bad economics to let the private sector make this investment, and the public sector to replicate it. It would also incidentally, have the effect of dramatically affecting the plans of many people who want to develop the third tier of radio involving black music. We feel that given Sir Christopher Blad clear framework for the development of BBC digital radio. This particular service currently called Network X fails to achieve his objectives on the three points we have listed at the beginning of this letter.

Patrick Berry MP Choice FM



27th June 2001

Mr Andrew Ramsay
Director, Creative Industries & Groups
Department for Culture, Media & Sport
2-4 Cockspur Street
London
SW1 Y5DH

Dear Andrew

**Re: Choice FM's Response to the Additional Information Supplied by the BBC
Concerning Network X**

1. Research

It is difficult to comment substantially on the research, since we have only seen some of the outline figures both in the original submission and in the additional information. From what we have seen, there is little strong evidence to support the case the BBC is putting for Network X. They have very clearly decided on an approach for Network X and conducted the research only on that basis. It would be interesting to know what an older black potential listener would want to hear. The age group interviewed, 15-24, is bound to say that they would like more black music, particularly outside London where under an analogue scenario it is pretty thin on the ground, and would listen to a BBC station that played this type of music. What this limited research does show is the high levels of listening there is, particularly of Choice FM and Galaxy. Were any detailed questions asked about speech content, cultural content, and news and information?

2. Music Policy and Live Events

We do not recognise the picture created by the BBC in their additional information of Choice FM. Since its existence and currently, Choice FM has had a strong commitment to new black music of American and British origin. Our play lists clearly show this and many artists who are now household names, first came to the attention of the British public through Choice FM.

An examination of our play list over recent months would show at least 50 new black British groups or artists we have promoted. Recent successes include Mis Teeq, Shola Amah and Beverley Knight. Craig David has on numerous occasions publicly stated that he owes his success to Choice FM.

Our contention would be that if you look in detail at the play lists of Choice FM, Galaxy and Kiss you will find there is a very small gap in the particular music market Network X proposes to enter. It would be interesting to see a detailed play list from the proposers of Network X, to see how these match with existing play lists and what in specific terms, they intend to broadcast. We would also like further detail on their speech content and what times of the day this would be taking place.

The BBC's additional information states, "Capturing artists performing live is not a routine part of commercial radio's activities". Choice FM is involved in a live event probably on a weekly basis. We see it as an integral part of our contribution and development of black music. We also undertake this directly with small local promoters, so often enhancing small black business and providing another outlet for new merging black music. For instance, over the last few months we have been involved in the following events - Buju Banton, Glen Washington, Lil Kim, Beenie Man, Sizzla, Morgan Heritage, Sanchez, R. Kelly, Respect Festival, 112, Jaheim, Kelly Price - Special Weekend Concert at Great Yarmouth - , Jagged Edge and Jon B.

You will see from the above why we do not recognise the picture created by the BBC. Given our commitment to new music and to live concerts.

3. Opportunity Missed

Our central point still remains as outlined in our original response that the BBC as a Public Service Broadcaster, should be providing something for the black community as a whole and not trying to duplicate what is already provided in the commercial sector. Choice FM will be broadcasting digitally in London, the North West, the North East, and the South West. This will involve an investment of approximately £120,000 per station every year for at least five to ten years. A considerably high commercial risk for a station of our size. We welcome the involvement of the BBC in digital radio and recognise that its success depends on their involvement. We do not welcome and neither do we feel will the public the duplication of an existing service and a real threat to our commercial viability.

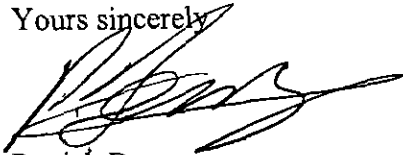
Summary

The research proves very little, other than the fact that the BBC has decided on a format for the Network before undertaking the research; and their additional information does not reflect what is the current provision or future provision of stations such as Choice FM, Kiss FM and Galaxy.



It is vital that Network X is more clearly defined, and that it should be a black "cultural service" rather than exclusively a black music service. The nature and levels of speech music need to be closely prescribed; also black music on other BBC channels needs to be maintained at its current level.

Yours sincerely



Patrick Berry
Managing Director



July 24, 2001

The Rt.Hon. Tessa Jowell MP, Secretary of State for Culture, Media & Sport.
2-4 Cockspur Street,
London SW1. 5DH.

Dear Tessa

SUBJECT: BBC'S DIGITAL RADIO URBAN SERVICE PROPOSAL, 'NETWORK X'.

Thankyou for the warm welcome and the opportunity to discuss the BBC's digital proposals. It is a credit to your office that a small company such as ours was included along side the giants that attended. We have submitted our arguments in detail before so I will attempt not to bore you with repetition.

At the recent meeting it struck home to me what a difficult task you have when you mentioned the objective of universal access and how to balance between this and what can be deemed to be unfair competition from the public sector. Choice FM started in Brixton with a multi-racial composition of shareholders with the majority holding in the hands of Black Britons, which is still intact. We created and nurtured a niche format that is now commonly known as an 'Urban' format. We became involved in the digital scenario for the very reason of providing universal access for black music. The BBC describes Network X as a black music station and the engine room for its development centres around Radio One's existing urban unit. Staff at the BBC most closely associated with this project is fully aware that the content will be the same as that which exists within the commercial sector. They work in the same clubs and venues side by side with deejays from Choice FM, Galaxy and Kiss 100fm.

Already there are four radio brands providing varying types of black music format on analogue services. On the digital platform all these brands have committed to considerable expansion and there have been some new entrants into the market, such as

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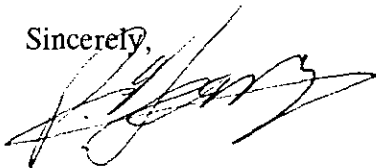
Ministry of Sound and MTV Dance. In the future there will be at least twenty-one stations, possibly more, across the United Kingdom offering a black music service on a local basis. This automatically provides universal access at no cost to the public purse. Therefore where is the justification to provide this service through the public sector? If the arguments for having this format on a single national service as an alternative to local then would it not be better placed in the commercial arena, would government not be better off collecting a bidding and licence fee from it rather than paying for it.

We do not have the deep pockets like the others that attended the meeting and we will need to sell our building to raise the capital to fund our digital investment. Had we expected the BBC, that had not previously shown significant interest in our niche with its analogue spectrum capacity, would be providing a replicated service we could not have taken the risk of entering into digital other than in London. The commercial impact on us if Network X goes ahead will be devastating, we would not be able to maintain our independence and would need to seek shelter with a larger group. This would eventually lead to complete dilution of the Black British shareholding. As you could see, from the meeting the top echelons of our media industry are no more racially inclusive than the bottom. The impact on us is unique but I really think that the downstream issues that are not obvious need to be given careful consideration in order to reach a fair decision. What would be the lost by the BBC or the public if Network X were to be shelved?

Let us have a national multicultural station that reflects Britain's multicultural society and gives opportunity to broadcasters at all levels from ethnic minority groups that are largely ignored by the BBC. Their world, national and local services have a wealth of resource and material that could create a fantastic radio station, especially with the six million pounds they propose to spend on Network X. The downstream benefits could be immense.

Thankyou for giving us the opportunity to give you some grief and I am confident that your assessment of the arguments will be fair and I am extremely proud that my local Member of Parliament as made it to heart of government.

Sincerely,



Patrick Berry

107.1 & 96.9
CHOICE FM
LONDON'S HOT FLAVAS