DMB0075

Written evidence submitted by Nation Broadcasting, Sunrise Radio, Panjab Radio, Dee Radio, Tindle Radio, KMFM, Angel Radio, Like Media Group, Star Media, Total Sense Media, Hot Radio, Fun Kids Radio, Switch Radio, Sunrise Radio (Yorkshire), Totally Radio and Your Harrogate

CMS Committee scrutiny of the draft Media Bill

As a group of smaller commercial broadcasters in the UK, who collectively represent stations right across the UK, ranging from start-ups to established operators, and broadcasting on FM, DAB and online, we are contacting you to raise concerns regarding the draft Media Bill and its impact on the radio industry and consumers.

We welcome the Government's attempts to support our industry, protect broadcasters and ensure that consumers have access to online radio in the same way they currently have for terrestrial radio. However, we are concerned that the Bill could lead to greater market concentration on the large smart speaker platforms and leading domestic broadcasters.

There are several omissions from the draft Bill from our perspective. As currently drafted it could fail to future-proof the industry and threaten to undermine a successful and thriving market.

Delivery outside of voice-activated smart speakers

Online radio is developing rapidly and listeners are accessing radio through a variety of devices and platforms. Though we welcome protections for broadcasters on the largest voice-activated smart speaker devices, we believe the Bill should be expanded to encompass a wide range of delivery mechanisms for online radio.

The proposed regulation doesn't replicate terrestrial radio where stations are freely available on any device. In particular, the Bill could result in listeners only being guaranteed access to all relevant internet radio services (RIRS) on the very small number of devices that are regulated by the Bill. Other devices, whether in cars, homes or elsewhere, may not carry all online RIRS aside from the largest broadcasters.

We favour a system which also supports listening via the wider ecosystem of small and specialist smart device manufacturers, and radio aggregators that many of us partner with.

We have noted, with concern, commentary that because the Bill only regulates the largest voice-activated smart speakers, there will be little or no impact on other device manufacturers, and the broader radio industry. This is not true. We think the regulation would have a broad impact on the radio industry and would alter the market dynamics in the smart speaker industry, most likely in a way which would be detrimental to consumers.

Digital-only radio

The Bill also fails to consider the role of digital-only radio, which will necessarily result from the move to online where there are not the spectrum limitations inherent in terrestrial radio. Not regulating this new – and growing – part of the industry risks reinforcing the dynamics of terrestrial radio, where a small handful of players dominate the market, making it more difficult for independent commercial broadcasters to launch digital-only stations successfully. This is particularly the case as some aggregators only accept Ofcom-regulated stations, which could prevent smaller digital-only stations from accessing a broader listenership.

The role of aggregators

Another omission from the Bill is the role that aggregators play in the online radio market. We have existing, constructive relationships with aggregators and they play an important role in the ecosystem. That is likely to remain the case under a new regulatory regime.

However, for independent broadcasters, it is crucial that there is a competitive and thriving aggregator market to facilitate access to our services online and boost discoverability. Ignoring the role of aggregators, as the Bill currently does, risks undermining independent broadcasters' ability to broaden their listenership.

The exclusion of the role of aggregators will mean that, in situations where a device is reliant on an aggregator (not its own software), the device manufacturer cannot be sure that an aggregator will have access to all RIRS, as it is not covered by the legislation. The aggregator would deliver the broadcast, but not be responsible for it. This could undermine the role of aggregators in the industry and incentivise device manufacturers to use a specific aggregator or eschew them altogether. Similarly, major broadcasters may choose to deliver their service through a limited number of routes. Doing so would mean that smaller broadcasters were forced to migrate to those routes, so as to retain the benefit of discoverability which is currently well-served by an active and competitive market.

A further concern is the role that our larger competitors play in supporting Radioplayer, which has been presented as an aggregator that is industry-backed. In fact, this aggregator is owned by the three largest radio broadcasters in the UK. There may be a conflict of interest between Radioplayer and the smaller broadcasters who are reliant on it. If this were to damage the competitive nature of the aggregator market, it would risk exacerbating this imbalance of power and further disempowering broadcasters that do not have the resources of the UK's three largest broadcasters.

As independent broadcasters, we have felt unheard in the debate around the Media Bill so far and appreciate the opportunity to share our views with the Committee. Although we welcome many of the proposed protections the legislation would create, we would like to contribute further and hope that Government will take the opportunity to listen to smaller broadcasters between now and the eventual introduction of the Bill to Parliament, including exploring fully the impact on smaller broadcasters, as part of the upcoming impact assessment on Part 6.

Yours sincerely,

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