

WHAT DO Lords Clark and Chalfont have in common with the newsmen W. H. Smith? What is the connection between the National Association of Schoolmasters, Tottenham Hotspur, the Jewish Chronicle and David Dimbleby? And what has Peregrine Worsthorne, that elegant right-winger from the Sunday Telegraph, been doing in the company of Councillor Stan Yapp (Labour) of Birmingham and a Nigerian shop steward called Matt Foliarin?

The answer is that they are all members of groups currently applying for the franchises of five commercial radio stations, two of them in London (a "News" and "General" station) and one each in Birmingham, Manchester and Glasgow. And as students of the ITV reshuffle five years ago will recall, groups applying for franchises are well advised, after assuming a serious and responsible public face, to present an image of racial, social and economic team-work, pulling smoothly together.

The lesson has clearly been learned. This time, however, the consortia have more serious problems than merely displaying their corporate saintliness. Last week, as the final batch of London groups slipped quietly into the London headquarters of the Independent Broadcasting Authority for their preliminary grilling by Lord Aylestone and his Board, the following facts were becoming plain.

The IBA has messed up the figures for the potential listening population in London; the catchment area was seriously over-estimated, but the consortia were told this only after putting in their formal applications for a three-year broadcasting licence. "From the point of view of advertising revenue," one adman said, "it's a horrendous situation."

Under Government pressure to rush commercial radio through during this Parliamentary session, the IBA has been unable to provide adequate transmitting facilities in London. For a year at least, licence holders in the capital will have to put out their medium-wave broadcasts through a wire aerial strung between the two sooty chimneys of London Transport's Lots Road power station in low-lying Fulham.

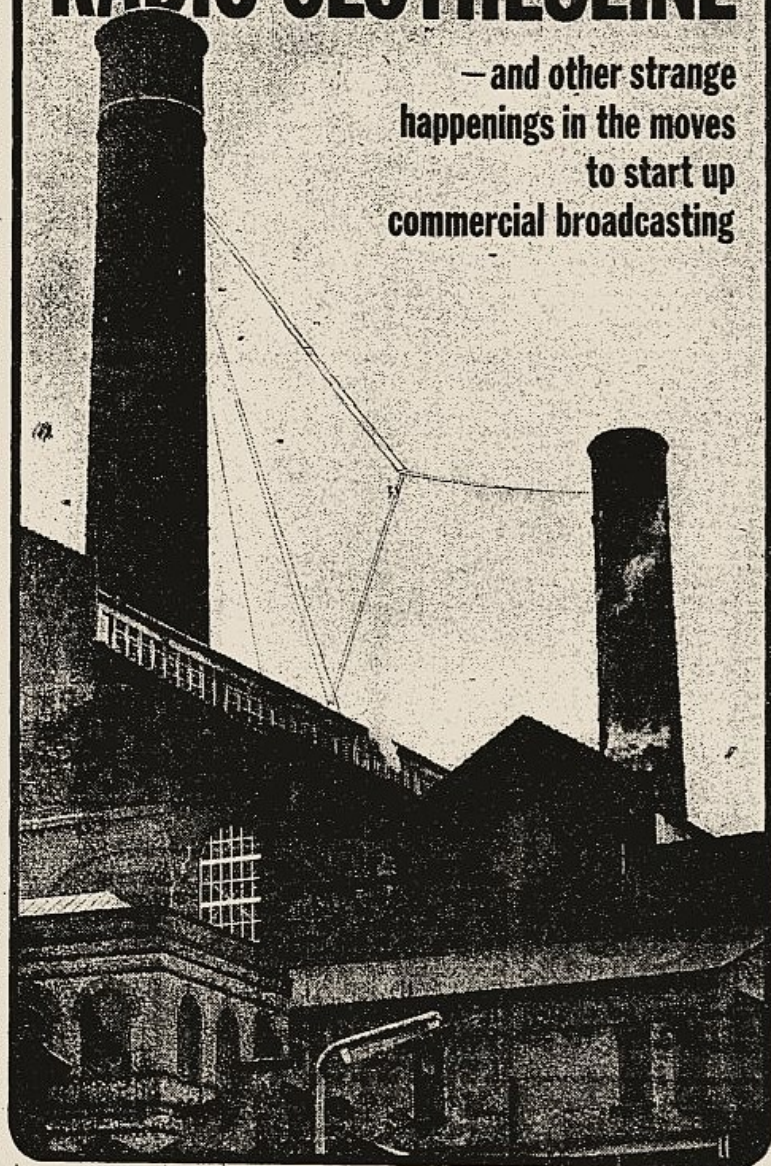
"It's not an aerial," one consortium chairman said in despair. "It's a bloody clothesline." And the name, Radio Clothesline, is beginning to stick—not an auspicious start to what the Government had hoped would be the London pearl in a nationwide string of 60 stations.

## Huge initial losses seen as inevitable

Then there is the problem of frequencies. While Radio Clothesline remains—and that could be for at least the first year of the three-year contracts—the two London stations will be allocated temporary frequencies. Once they get their permanent frequencies the listening public will have to learn where to turn their dials all over again. But even then there will be a snag. The permanent wavelength of London General will be 194 metres, medium band—which happens not to be on the dial of many transistor, car and elderly radio sets. The medium waveband of such sets often begins at 200 metres.

# Peter Dunn tells the story of RADIO CLOTHESLINE

—and other strange happenings in the moves to start up commercial broadcasting



Frank Heermann

Meanwhile, technical problems apart, there is an increasing suspicion that the original political concept of truly local radio has been allowed to go by the board. In the view of many smaller and possibly more idealistic consortia, only the big groups—such as the one dominated by Sir Lew Grade's ATV—could hope to survive the huge initial losses that are now seen as inevitable.

The population of London's catchment area (about 9 million) is equivalent, for example, to that of Belgium; Birmingham's transmitter will reach into the Black Country; Manchester's will include several outlying towns; and Glasgow's will invade large chunks of Dunbartonshire, Lanarkshire, Renfrewshire and Stirlingshire.

In the face of these problems, there is increasing bewilderment over the muted role being played by Mr John Thompson, the IBA's head of radio and formerly senior adviser to Mr Christopher Chataway.

Some consortia members sus-

pect that one of the main tasks of Mr Thompson, a pale, pleasant man who once edited the Observer's colour magazine, is simply to soothe those asking the urgent questions that have hung over commercial radio since his appointment last July. Inquirers have found it difficult to get firm answers from Mr Thompson, so much so that one group of broadcasters has started a contest (with prizes) to see who can elicit the most meaningless Thompson reply. A likely winner so far is the following authenticated conversation:

Q: Do you think A or B, Mr Thompson?

Mr Thompson: "Well, I don't think I could really give you an answer to that question. But I can tell you this. If you were to think about it and give the same reply to the IBA I think they would think that that's just about the right answer."

FOUR YEARS AGO, Phil Sidey, then manager of the BBC's Radio Leeds, wrote in a Fabian pamphlet that the chief characteristics of commercial radio were "a pile of records and an amiable ape to put them on."

Neither the Government nor the IBA wants British commercial radio to develop this way. They are limiting needle-time output to 50 per cent; and quality must to a certain extent be anticipated because the winning consortia—unlike their ITV counterparts five years ago—must publish their promises as soon as they get the licences.

Even so, the discs-and-apes reputation will be hard to live down. Although the Labour Government effectively beached the pop-pirate ships in 1966, the pirates' influence on the broadcasting climate has continued, particularly inside a jazzed-up BBC Radio One. If a new approach is to be found for commercial radio a lot of things will need to go just right; not only must it attract the right kind of talent, but the technical and financial basis must be sound.

## The IBA shocks the lobbyists

The Conservatives' pre-election pledge to establish 100 commercial stations if returned to office produced a kind of euphoria among lobbyists, some of whom have been waiting 15 years for the call. But last autumn the proliferating consortia were abruptly faced with the economic realities of the new medium; and although still joyously confident to behold, many are now quietly wringing their hands in dismay.

The IBA had borrowed £2 millions of Government money to finance the setting up of commercial radio stations, including the provision of transmitters. On October 4 last year, the consortia learned how the Authority intended to get the money back—swiftly, through large annual rentals rising in successive years of the contract period.

The rents were based on population figures and meant, for example, that the lucky London General contractors would pay £315,000 in its first year and £380,000 in its third; the figures for Manchester are £108,000 rising to £132,000.

In Birmingham (£75,000 to £105,000) the news came as a considerable shock to the merchant bankers Singer and Friedlander, involved in a partnership in Radio Brum (the Worsthorne/Yapp group). The bankers had already made some calculations based on a much lower estimated rental.

Faced with the IBA's figures they estimated that the potential profit would be halved. They backed off and made way for Mr Eric Morley of Mecca whose financial interests in the Birmingham area already include a projected £44 million



Thompson: soothing words

Merrie England entertainment centre with jousting and hooded executioners.

But while other provincial consortia gritted their teeth and prepared for the worst (in Manchester, where the medium-wave transmitter will not be ready for 18 months, Rediffusion is said to be ready to lose £1 million) the London groups were in for a bigger shock. It came in a confidential letter from the IBA a fortnight before Christmas, after the applications had been submitted.

In addition to broadcasts on the medium-wave, the same London programmes will also go out on VHF from a transmitter in Croydon. The IBA had originally claimed that this would beam signals over an assured population of 9.1 millions. But the IBA's letter, written in a tone of considerable self-righteousness, announced that this had been an over-estimate of some 660,000—the VHF signals would reach only about 8.5 millions.

The letter hinted that any contractor thinking of suing the Authority should forget it. The original estimate, the IBA reminded the consortia, did not represent the guaranteed coverage or any contractual commitment by the Authority.

The announcement came as a last straw after the even more disturbing news about the problems in setting up the London medium-wave transmitter. The IBA has consistently maintained the fiction that medium wave is intended simply as a "back-up" to VHF—even though the majority of potential listeners, using small transistor sets or car radios, cannot

receive VHF. (Mr Thompson, when taxed with this, says: "Everyone will have VHF in 15 years' time.")

For some months now the IBA has been trying, without success, to get a seven-acre site for a cluster of 160-ft highly-directional aerials needed to beam medium-wave broadcasts across London.

Two local authorities, Hillingdon and Barnet, have turned down planning permission on three sites and the matter is now up for appeal at the Department of the Environment. In the meantime the IBA has nothing to offer but Radio Clothesline, which started trial transmissions last week. These consisted, in part, of a faint voice asking people to phone in if they could hear the broadcast.

BBC EMPLOYEES (excepting those who, despite a BBC warning that they could be sacked, are secretly in with the consortia) have been watching this shambles with secret amusement. One consortium member says he tuned in to the Corporation's Radio London one night and heard a programme on how to object to unsightly edifices being erected in London areas.

The IBA, however, is less than amused. During recent weeks it has discovered in the candidates a wearisome tendency to ask fundamental questions about the power of Radio Clothesline and the reduced size of potential audiences.

## 'Local advertising? That's a joke'

On January 9, the Authority sent out another confidential letter to the consortia awaiting interviews (held last week) for the London General station.

"The purpose of this note," the letter said, "is to give information to reduce the need for discussions to take place at the interview on technical matters."

The letter acknowledged that the technical matters were "of considerable concern to applicants" but went on to add that since it didn't itself know the answers there was no point in talking about them.

The letter added: "As soon as these matters are clarified the authority can enter upon detailed discussions with those whom it considers to be the best applicants. These discussions will cover alternative technical proposals and the appropriate reduction of rentals during any interim period." The consensus among the consortia is that the Clothesline aerial will reduce their expected audience by at least a third and their advisers have been re-doing their sums—with increasing gloom.

One advertising man said his estimated advertising revenue of £2 millions annually would drop by at least £650,000; and even that was making a number of "pretty questionable assumptions on the way." He was fearful that the audiences might be reduced below the critical level which would make them a worthwhile proposition for national advertisers.

"You can forget local advertising," he said. "That's a joke. Only national advertising can afford commercial radio on this scale and make it work. But if you reduce the size of your station area, the national advertisers will simply say, 'We've got tea-time TV now' and off they'll go."

"Frankly the whole London situation's a dog's dinner. The only people who can possibly afford it now are the big boys who could set their radio losses as a tax loss against TV profits until they got the contract again in 1976. You simply won't attract new blood."

HUGHIE GREEN, whose consortium, headed by Lord Mancroft, has pulled out of the London General station fiasco after spending £60,000 on research, agrees. "Only the people with fantastic incomes can afford it," he said. "You're paying out 30 per cent of your money in copyright charges and in rent to the IBA even before you've got four walls; before you've even paid the tea bill."

"Our last survey covered London's listening habits every 15 minutes of the day; and it showed that whilst we've the finest broadcasting system in the world in London, taking it on average between Monday and Friday, only 18.7 per cent listen to Radios 1, 2, 4 and Radio Luxembourg. You've not only got to attract 5 per cent of that audience but to make a profit, mate, you've got to build. I've spent five years studying this and I wouldn't do it on their terms."

Hughie Green was one of the few potential contractors with first-hand experience of commercial radio. When I met him he was wearing a 300-dollar wrist-watch with a 7-up flash on its face—a token of gratitude from the drinks company for radio services rendered.

In his view, mixed-bag advertising spots make little impact on a radio audience, which usually listens with only half an ear while driving or ironing.

But the alternative system of "sponsored" programmes, which the big national advertisers would find more attractive, is forbidden by the Acts governing commercial broadcasting, because of the effect sponsorship might have on editorial control.

Accordingly, Mr Green pro-

posed a scheme under which programmes would be "patronised" by single companies, with safeguards over editorial content. "Patronised" programmes, he urged, were in no way similar to "sponsored" ones. Unhappily neither the IBA nor Government Ministers were able to appreciate this somewhat refined distinction.

Today—a mere spectator of other men's folly—he watches the scramble for contracts with the satisfied gloom of a man who knows the world is going to end. And yet, in Mr Green's opinion, there was no need (had his advice been followed) for the consortia to prepare for a meeting with doom.

He sees no reason, for example, why the IBA should build the transmitters and rent them out. The consortia, says Mr Green, could have done it more cheaply themselves. In London the total rent over three years for the General station will be more than £1 million. "But why do it that way at all?" Mr Green asks. "We could have borrowed the money and built our own transmitter. Allowing for depreciation it would cost £700,000 and that's doing it rich. If you're kicked out after three years then at least you'd have an asset. Now you're being asked to pay for something which isn't yours and never will be."

Whatever successive Ministers of Post or the IBA thought of Mr Green as a potential cog (or spanner) in their scheme for an intellectually up-lifting commercial radio service, it is clear that they have been discomfited by his well-researched and increasingly pessimistic views.

And yet there are glimmers of hope. For all its apparent helplessness in the face of severe technical problems the IBA seems to be playing a sure, if cautious, political game behind the scenes. "Don't worry," Lord Aylestone, the IBA chairman, told one of the smaller consortia at a recent meeting. "It's in the right hands."

But whose? Lord Willis, executive chairman of one of the London consortia, goes so far as to suggest that the whole unhappy set-up in the capital is the work of "a sinister conspiracy" fostered by big financial interests who want to panic the IBA into giving stations only to those groups that can stand big initial losses.

It is a startling proposition. But, then, simply by posing it Lord Willis is offering a public warning to the IBA as it settles down to chew its consortia cud. Somewhere along the line the Authority has a duty, commercial interests apart, to keep amiable apes out of Britain's commercial radio stations.

## The hopefuls...

CONSORTIA applying for radio contracts are not obliged publicly to reveal their membership—or even their existence. The list (below and on page 14) is of some of the more prominent groupings known to have been preparing submissions



WILLIS



STEPHENS



ATTENBOROUGH



AYLESTONE



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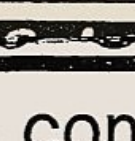
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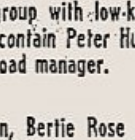
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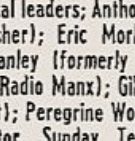
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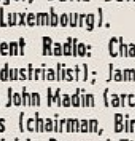
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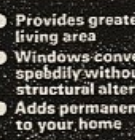
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### LONDON GENERAL STATION

Network Radio: Chairman, Lord Willis, managing director, Neil French Blake (ex BBC Radio Plymouth); Tony Smith (ex BBC TV); Ned Sherrin; Bobby Marmor (properly developer); Pamela Carmichael (editor of She) Denis Barkway (Leader Bromley council).

Local Radio Services: Chairman, John Whitney (a founder of Local Radio Association pressure group); managing director, Michael Metcalfe (chief executive TV International Enterprises); Philip Waddilove (film producer); Robert Stigwood (impresario). This group is now believed to be arranging an alliance with one of the other consortia.

Radio Piccadilly: Doreen Stephens (ex London Weekend TV executive); Lord Clark (of "Civilisation"); Lord Chalfont; John McMillan (former Rediffusion TV boss); W. H. Smith (newsagents).

Capital Radio: Chairman, Richard Attenborough; Bryan Forbes; Michael Flint (former head Paramount Pictures UK); David Jacobs; Rediffusion; The Observer; Local News of London (representing 24 local newspaper groups); Barclay Barclay-White (Weybridge dental surgeon).

Artists in Radio (AIR): Chairman, Alistair McAlpine (son of builder Sir Robert); Peter Hall (director designate National Theatre); Peter Davis (film maker); John Costello (Bow Group); Michael Kustow (former head of Institute of Contemporary Arts); Watneys; Biba; Filmans (publishers); Exchange and Mart.

ATV Group: Chairman, Norman Collins (ex BBC/ITV executive); Sir Lew Grade; David Dimbleby; Alex Jarratt (of IPC); three trade unions (General and Municipal, Schoolmasters and ETU); Tottenham Hotspur; Jewish Chronicle; RAC.

LONDON NEWS STATION Associated Newspapers Group: London Evening News; Eamonn Andrews; 3 London weekly newspapers; Philip Burch (ex-boss Radio London); AA; London Co-op.

London News Consortium: Combines Trident Television (Yorkshire and Tyne-Tees), Home Counties Newspapers, City Sounds and a group of over 30 radio, TV and newspaper journalists, including Anthony Sampson, Nicholas Faith and Tony Elliott (publisher of Time Out). Chairman, Sir Kenneth Younger; managing director, Bill Macdonald (former advertising bureau chief); Sir Geoffrey Cox (former head of ITN); James Evans (Times Newspapers lawyer); and Michael Sissons (literary agent).

Greater London Radio: Chairman, Sir Con O'Neill (former deputy Under-Secretary of State, FO); deputy chairman, Denis Hamilton (chairman and editor-in-chief Times Newspapers); Times Newspapers; United Newspapers; Thames TV; IPC; Guardian Newspapers; Rank Organisation; National Westminster Bank.

Radiopolis: A good music group formed by TV presenter Brian Connell and heavily backed by music establishment. Supporters include Sir Tullin Beamish, Tony MP, Stephen Bonarjee (former head of BBC radio current affairs), Leon Goossens and the Duke of Bedford. Wants to provide classical music programmes, possibly filling in between the news material provided by one of the news consortia.

### MANCHESTER

Greater Manchester Radio: Chairman, Neil Pearson (sollicitor); managing director, Bill Cheevers (engineering director, Granada TV); Sir John Foster, QC; Lord Wright (retired cotton union leader); Anthony Blond (London publisher); Dr Michael Winstanley (broadcaster and ex Liberal MP); Sir Paul Bryan (Tory MP, one-time party broadcasting spokesman and until recently a junior Minister, Represents Granada TV); Dame Kathleen Ollerenshaw (educationalist); and local newspapers surrounding Manchester.

CONTINUED ON NEXT PAGE

## Radio consortia

continued from preceding page

Manchester Radio Voice: Chairman, Lord Hewlett (Manchester industrialist); Ald. Bernard Langton (former Lord Mayor); Manchester Evening News; Rediffusion (again!).

Radio Red Rose: A group with low-key publicity believed to contain Peter Huggitt, Des O'Connor's road manager.

### BIRMINGHAM

Radio Brum: Chairman, Bertie Rose (a Neville Group director); business, social, trade union and political leaders; Anthony Blond (London publisher); Eric Morley (of Mecca); John Stanley (formerly of Pye, helped establish Radio Manx); Giles Playfair (criminologist); Peregrine Worsthorne (Deputy Editor, Sunday Telegraph); station manager, David Davies (helped set up Radio Luxembourg).

Birmingham Independent Radio: Chairman, John Saville (industrialist); James Mason (union official); John Madin (architect); Clifford Coombs (chairman, Birmingham City football club); Bernard Ziss-

man (clothing shops owner); Derek Salberg (impresario). Station manager, Dennis Maitland (former sales director, Radio Luxembourg); Olga Franklin (journalist); Frank Windsor ("Softly Softly" cop); Jill Knight (Tory MP, Edgbaston).

Birmingham Broadcasting: Birmingham Post and Mail; ATV and others.

### GLASGOW

Radio Glasgow: Chairman, Sir Donald Liddle (former Glasgow Lord Provost); Scottish Daily Record (IPC-Newspaper); 17 independent Scottish weekly newspapers; John Menzies (newsagent group); Hutchinson engineering; the Bank of Scotland; Jimmy Logan (impresario and entertainer).

Radio Clyde: Chairman, Ian Chapman (Collins, publishers); managing director, James Gordon (political and TV commentator); Professor Esmond Wright (former Tory MP); Scottish TV; Glasgow Co-op; Stenhouse Group; Sean Connery's Scottish Educational Trust; George Orram (publishers of Glasgow Herald).

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