

# Unable to live up to the 'promise of performance'

**T**HE industrial disputes which this week have disrupted programming on two of the Dublin-based commercial radio stations are viewed widely within the radio and media industry as just the tip of an iceberg of unrest in many of the new independent stations, as managements struggle to narrow the gap between costs and revenue.

That the gap exists there is little doubt, though it is much bigger in some stations than in others. In six stations at least, the shortfall between income and expenditure has grown big enough to threaten their future, and some members of the Independent Radio and Television Commission (IRTC) fear that several closures may be imminent.

Critics of the way the commercial radio network was set up regard the difficulties facing the stations as confirmation of their belief that a market of Ireland's size simply cannot sustain two dozen local stations and a second national commercial service as well. And the critics draw further reassurance from the knowledge that the number of stations operating has already shrunk.

There is now effectively just one service in Cork, where three were licensed originally; one of the two stations in Co Wicklow is anxious to merge with the other; and the IRTC itself is keen to see a number of stations enter negotiations with one another with a view to some form of merger.

Encouraging and approving such mergers would seem to be an admission on the part of the IRTC that it was being optimistic in 1989 and 1990 in expecting so many stations to be able to survive and prosper. Certainly, many advertising industry sources believe that the number of commercial radio stations here that

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**Almost two years after the first commercial radio stations went on the air, Ronan Foster, Media Correspondent, assesses the state of the independent sector.**

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can expect to survive is no more than about a dozen. Some put the number as low as six or seven.

Mr Martin Larkin, managing director of one of the Republic's biggest advertising agencies, Irish International, says bluntly that there are too many stations on the air now and "a war of attrition" of sorts will continue until the number is whittled down to a manageable size.

But there are other ways to narrow the costs/revenue gap that some stations appear not to have exploited, he says, such as aggressive marketing.

"A lot of the stations went on the air without carrying out any basic market research into exactly what their potential audiences wanted and expected from local radio. One station that did is 98 FM in Dublin, and it is no coincidence that it is one of the most successful stations on the air," he says.

This lack of market research left many of the applicants for the radio licences making promises to the IRTC that were based, not on genuine demand in the community, but on their own perceptions of what was needed. In many cases, these have turned out to be wrong, leaving programming to be amended hastily in an effort to build listenership.

And this, in turn, has led to claims that what many radio stations are now offering their listeners is a far cry from what they promised the IRTC. The contrast between Century Radio's original submission and the

scenario for the future outlined by one of the company's directors, Mr Patrick Taylor, last weekend, seems particularly stark.

The commission heard that Century's news service would be high quality and that the station would not be merely a music service, but Mr Taylor insisted last week that Century was primarily a music station, and was trying to develop its business as such.

**A**S TO NEWS and current affairs, the station would continue to meet its obligations under the broadcasting legislation, but he hinted that, in future, its style of news and current affairs could be quite different to what has been the case in the past. Chat shows and sports coverage would form a substantial part of Century's current affairs output, he said, but if the authorities in Ireland wanted a quality news service to be available to local stations nationwide, they would have to find another way of providing it.

A number of the local stations have expressed themselves quite content to work within the 20 per cent news and current affairs rule, and some even say they greatly exceed the required minimum, but it is nonetheless a major bone of contention for many of the local services. What many of them

object to is that it appears to be an altogether arbitrary limit adopted by the Government. They point out that it does not apply to RTE, nor will it apply to TV3 when it eventually takes to the air.

Certainly, those stations that fail to reach the 20 per cent quota appear to face a bleak future, as the IRTC has no means of dealing with transgressors short of revoking their licence. The commission has, in recent months, threatened to revoke at least one station's licence, but has not done so yet.

Some commission members favour the adoption of other means of dealing with stations that break their promises in terms of programming or that fail to broadcast enough news and current affairs. In Britain, the radio authority can exercise a tighter rein on the stations under its control, and has the right to fine them for breaching their "promise of performance".

Bradford City Radio, for example, has just been fined  $\text{£}2,500$  for a "deliberate" decision to depart from its promise that 20 per cent of its output would be for the Afro-Caribbean community. Similar departures in Ireland could likely be met only by such extreme action as putting the station out of business altogether.

The IRTC, however, is highly unlikely to want to take such extreme action lightly, and its inability to impose a lesser penalty could be read by some stations as a licence for them to take sizeable liberties with their own original "promises of performance".

To discourage the local radio stations from straying too far from the path they themselves mapped out in their submissions to the IRTC two years ago, it may be necessary to equip the commission with more than just the one real tooth it has at present.