

## Shareholders vote yes to radio station changes

### Future of station was on the line

It was the meeting which had been called to make decisions critical to the future of Bray's local radio station.

Nothing less than the continued existence of the service was at stake. But in spite of that, or perhaps because of it, the key changes were voted through with little opposition.

With the board members making it clear that without major investment, Horizon would be forced to close down within a matter of days, the more than 100 shareholders had little real option but to back the new, commercial option presented to them.

A leaflet handed out to the egm signed on behalf of the Board of Management stressed that in order to continue operations, 'the station must have a large capital investment' and the best way to do this was for the co-op to form a company, transfer the broadcasting operation to the company and then sell some of that company's shares to investors.

From its shares of the profits, funds would be used to promote community broadcasting in accordance with the co-op's rules.

From the floor, there were some recriminations, but very little by way of outright opposition. According to one speaker, a lot of mistakes seemed to have been made since Horizon was granted its licence just over a year ago. It was a very sad day and he expressed fears that Horizon would become much less of a local service.

According to another speaker, the station had survived for 12 years as an unlicensed service and it was a sad day that events had come to this.

But in the end, the misgivings failed to transfer into any significant opposition with only a handful of those present voting against the changes.

According to one shareholder who attended, there was a strangely subdued air about the proceedings and in spite of the momentous issues at stake, it was all over in little more than an hour.

# Horizon gets a new image

SHAREHOLDERS IN Bray's Horizon Radio have approved major changes in the structure of the station which for the first time will allow major commercial investment in the station.

by Jan Van Embden

A vast majority approved key changes in the rules of the station's existing co-op structure at an extraordinary general meeting last Monday night which will allow private investors to buy up to 75% of the shareholding in the new set up.

While the new rules will obviously clear the way for a much more commercially oriented broadcasting service, members of the board gave an assurance that community broadcasting will remain a strong element under the new arrangements.

And they backed up this promise by revealing that they had received verbal assurances from the Independent Radio and Television Commission (IRTC) that Horizon will be given permission to broadcast a small, separate and locally based community service on a second wavelength to run in tandem with the main service.

Under the changes approved by the egm, control of Horizon Radio has been transferred from the existing



Brian Kennedy

co-op to Pacific Enterprises, a wholly-owned subsidiary of the co-op which was set up last week. Consent has also been given to the board to sell up to 75% of the shares in this new company to outside investors.

Horizon Station Controller Adrian Kennedy said on Tuesday last that it was the board's intention that no single investor would be allowed to own more than 25% of the shares in the new company in order to ensure that no single investor will attain a majority control of the new set-up.

He stressed that investors in Pacific Enterprises would have no control in the new community service which would be broadcasting on a second wavelength for what he anticipated would be for several hours a day before feeding back into the main service. This new second service would be fully controlled by the co-op, which would also hold a minimum 25% shareholding in the main station.

He added that the co-op hoped to use earnings from this shareholding to fund the operation of the new subsidiary community service.

Mr. Kennedy confirmed that the egm had been told that it was the board's considered

opinion that if the changes were not approved, that Horizon would have been forced to close down within a short period.

He rejected the suggestion that this had been putting a gun to the shareholders' heads. Rather, it was simply the reality of the situation.

According to Mr. Kennedy, the changes were approved by a 95% majority at the meeting, well in excess of the three-quarters majority required to pass changes as required by the co-op rules.

With the changes successfully voted through, he believed that the future now looked a lot brighter for the station. He repeated his statements of last week that while there had been a great deal of interest from, and a number of meetings with potential investors, no firm agreements had yet been made with any parties.

He also confirmed that the new set-up would have to be formally approved by the IRTC, as would involvement by any new investors.

## Chairman's statement

In a statement issued after Monday's egm, Horizon co-op Chairman John Murphy said that the shareholders' approval meant that the station could now put in place a comprehensive plan to secure investors.

He said that there had been considerable interest in Horizon's proposals to date which could now be taken a step further, while stressing however that the Co-op recognised that all future plans and investors would of course require approval from the IRTC.

## But will continue a strong local service

FROM ITS EARLY beginnings as one of the many pirate stations set up in the late 1970s, Horizon Radio is now set to change beyond all recognition into a full fledged commercial service.

As shareholders in the existing co-op structure at Horizon gathered for last Monday night's crucial extraordinary general meeting, the key question on everyone's lips was 'is this the end of community radio?'

To this the answer must to a large extent be yes because it's virtually inevitable that new investors will look for the

kind of 'commercial' programming which will give them a return on their money.

But in spite of this likely scenario, the board of Horizon are confident that no matter what the new set up at the station is, strong, local content will remain an essential part of their programming.

According to Station Controller Adrian Kennedy experience had shown that the most successful commercial radio stations were those which included a strong local content in the requirement of a minimum of 20% news and current affairs under the licence granted by the IRTC.

He said that the station would be carrying out strong market research to find out what their listeners wanted and he predicted that there would continue to be a strong local content.

Although the IRTC have turned down an application from Horizon that they be given formal recognition in their licence to broadcast to the Dublin area, Mr. Kennedy said this would not constrict their operations as it was a fact that their signal transmitted to Dublin. They would continue to canvass for advertising in the Dublin market, just as Dublin based stations canvassed for advertising in Bray.

Since it was launched under the then Communications Minister Ray Burke's legislation less than two years ago, Horizon has from the outset suffered from a serious level of undercapitalisation.

The hope now is that new investment will breathe life back into the ailing service, but in the uncertain world of commercial broadcasting, that's a question to which only time will give the answer.



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