



Mountain FM Beech Grove, Victoria, Ebbw Vale, Gwent NP23 8WQ

Competition Commission  
Victoria House  
Southampton Row  
London WC1B 4AD

14<sup>th</sup> November 2012

Dear sir/Madam,

I have been asked by the trustees to raise the following concerns for your attention.

The following concerns which we wish to raise before the Competition Commission are expressed in a letter which has been sent to Ofcom Head of Radio licensing recently.

Shortly after our annual contract payment to MXR to continue broadcasting on The Severn Estuary Multiplex, we were given notice that MXR would not be renewing their licence. This has been subsequently publically confirmed by Ofcom.

Shortly after sending our payment to MXR, Global Radio decided not to extend its licence on the MXR multiplex. In view of the fact that Global has shared ownership of MXR, then their decision to pull out means that MXR were forced into the position of not renewing the South Wales Severn Estuary multiplex licence. This decision has had a devastating effect on the group of stations currently using the DAB transmission service.

The above decisions have caused unacceptable business damage to the regional service which we share our concerns for the future of regional broadcasting on DAB. We now understand that Global Radio is seeking approval to expand their service on to a national platform. Also Real Radio has been given permission to reduce local output in favour of national networking. This is yet another blow to local regional broadcasting.

**This raises the following immediate concerns:**

Is this legal under the current competition law?

How do Ofcom propose to manage local DAB broadcasting beyond 2012?

What options are there for Mountain fm.

Can you advise us as to how Ofcom propose to support and regulate small independent DAB radio stations and Social Enterprises such as Mountain fm in an environment that will allow us to sustain long term broadcasting on a DAB platform.

How do Ofcom propose to protect the all important licensed transmission rights of stations on DAB. We are obviously at the mercy of third party multiplex operators who clearly have the power to cripple a DSP stations business in one single decision.

We are deeply concerned on behalf of the grant funders who invested vast sums of money in support of DAB broadcasting as a secure future. Our business plan which was drawn up and approved by the Welsh Assembly government (WAG) is now in tatters and raises the question of exploring and seeking possible compensation.

Finally, the public announcements of the above decisions by MXR, Global, Ofcom has had a devastating effect on our ability to generate advertising revenue. Our sales team which has contacted thousands of businesses in South Wales and South West England this summer and autumn are unable to sell for year 2 of our license. Business owners repeatedly tell us they have no confidence in a DAB platform for advertising their business on.

This letter comes with deep concern and urgency for the future of our business which has now been placed in jeopardy by these decisions and public announcements.

Your help and advice regarding our deep concerns would be very helpful to us at this stage.

I look forward to hearing from you.

Yours Faithfully.

Rev. M. John Curtis.  
Station M.D.  
Chairman of the Trustees.