

## GLOBAL RADIO HOLDINGS LIMITED/GMG RADIO HOLDINGS LIMITED COMPLETED MERGER INQUIRY

### Summary of hearing with Orion Media Ltd on 4 March 2013

#### Comments on provisional findings

1. Orion Media Ltd (Orion) said that the provisional findings were generally in line with its experience of the radio market. [✂]

#### Experience from Global/GCap divestment

2. Orion told us that for the first 18 months after acquiring licences following the Global/GCap merger it operated the East Midlands station under the Heart brand. It subsequently rebranded the station as Gem 106. [✂]
3. [✂]

#### Divestment options

4. Orion did not consider that the Gold stations competed effectively for local advertisers. As AM stations, they were unlikely to attract acquirers and divestment would not deal with any SLC identified.
5. Separate divestment of regional Smooth licences would have implications for access to the national digital multiplex and the requirement to provide local programming. Additional costs might be incurred by a new owner from buying separate local access to digital multiplexes and from having to reintroduce local programming. [✂]
6. As regional stations with existing local and regional programming, there would be fewer risks associated with a divestment of Real stations.
7. [✂]

#### Supporting behavioural remedies

8. [✂]
9. [✂]

#### Relevant customer benefits

10. Orion said that it was important that commercial radio retained strong national brands such as Heart, Capital and Smooth and that these helped radio to compete for national advertisers with other media such as television. Global's increased investment in marketing and programming had raised the bar for radio competitors.
11. Orion also said that consolidation of local radio ownership did encourage greater diversity of music offered as owners tried to differentiate their stations to attract advertisers.