

"It was submitted that the advertising rates appeared to be too low and the establishment of a Tauranga sales office meant the possibility of selling in the Eastern Bay of Plenty.

"1XX uses the Pacific network news and there would therefore be a duplication.

"The Tribunal was asked to change the direction of the signal, to impose a restriction on the selling of advertising in Central and Eastern Bay of Plenty, to require the applicant to provide an alternative news service, to improve the community service commitment and to provide a truly alternative format.

"As to the economic effect on the station no evidence was produced by the company to support its statements.

"We do not believe that the type of community station successfully conducted by Radio Bay of Plenty Ltd. would be seriously affected by this regional programme but we do agree that where it can be well heard it will be listened to.

"In the absence of evidence of the effect on the station we are unable to find that there is adequate reason for changing the nature or extent of the coverage proposed.

"As far as any FM operation by Radio Bay of Plenty Ltd. is concerned the Tribunal notes that the only application for FM services in the area is from that company and they are for the total duplication of the AM programme from FM transmitters. The effect of the granting of this application will be to provide a new programme service in the area which neither 1XX nor any other applicant has sought to provide.

"It may well be that 1XX will consider joining with the present warrant holder in a transmission directed to the audience in the Eastern and Central Bay of Plenty which might carry some local programming and the regional programming from the Te Aroha site. But that is a matter for Radio Bay of Plenty Ltd. We do not see the proposal by Radio Bay of Plenty Ltd. to provide a duplicated programme to its listeners in its service area on FM as providing a ground for criticism that this applicant's programming is too similar.

"We consider that there will be a sufficient difference in format from the existing stations to provide a contrast to the AM programming. We do not expect that a FM station will or should make any attempt to provide the same community service content as an AM station. The submission in that respect fails to understand the essential difference that has already occurred in FM broadcasting here and abroad. In this case one of the aspects which will make the station less competitive with local AM stations is that it will be operating over a wide region and cannot provide a close local community service. Nor is it compatible with the music objectives of the station to load it with that sort of information role.

"We see no point in preventing the available signal reaching those fortunate listeners in some parts of the Bay of Plenty beyond Tauranga who might welcome the opportunity of receiving this FM programme.

"The question of advertising rates is dealt with elsewhere.

"The prime purpose of the FM station is not to provide a news and information service and we see no significant disadvantage in the application because it is proposed to carry a network news service from Radio Pacific which is the same service as is carried by 1XX.

"There is no justification, in the absence of any evidence from Radio Bay of Plenty Ltd., for the imposition of a restriction on the selling of advertising in the Central and Eastern Bay of Plenty area. We expect it would be more likely to be an incidental service from the station having regard to the small numbers of listeners in the area who would be reached from this regional station. We would be surprised if the rates proved to be competitive with 1XX but again lack any evidence from that station to support its submissions."

The applicant took no steps to consider joining with the Waikato station. It may seem ironical that the arguments now being advanced by others affected by Radio Whakatane's proposal should have been advanced by Radio Whakatane earlier.

The effect of Radio Whakatane's shift to the FM mode might however be to prevent another local entrepreneur deciding to site a transmitter at Mount Edgecumbe for the Eastern Bay of Plenty. Such a station might perhaps have some limited hours of local origination and link with the Waikato or some other FM service for much of the time, thus bringing an alternative music FM service to the area. It is appropriate to note that FM stations in New Zealand have offered a different format with a high music content and a low advertising content. Those proposals are not in the same category as the present application.

The BCNZ argument was that the need in the region was for a locally based station which can be received by all listeners. That, they suggested, was 1XX on AM.

(e) *The financial and commercial ability of the applicant to carry on the proposed service.*

We are satisfied from Mr Wadsworth's evidence that the applicant would carry on the service satisfactorily. It is an efficiently operated station which has in later years proved to be profitable after many difficult years of trading.

The formula adopted is one with which they are familiar and which has been successful. It involves a low rate of charges and a high commercial content which has been made acceptable to the audience.

(f) *The likelihood of the applicant carrying on the proposed service satisfactorily.*

We have no reason to expect that the station would not be conducted in accordance with the proposals.

(g) *The results of any survey available to the Tribunal.*

No audience survey was conducted recently for the purpose of the application, but reference was made to other surveys to show audience figures both in relation to 1ZD and in the Eastern Bay of Plenty.

The surveys conducted by the applicant earlier which related to choice during temporary FM broadcasts did reveal, as Mr Harman pointed out, that more than half of the people questioned did not in fact attempt to tune to the FM station.

(h) *The requirement that frequencies be best utilised in the public interest.*

It is convenient here to consider all the technical matters raised in evidence.

For the applicant, Mr Bryce stated the case for the use of Manawahe rather than Mount Edgecumbe which is the coverage area for which the applications were called. We can understand the reasoning which led to Mr Bryce's choice. But it also needs to be said that Mr Bryce is an innovative and creative engineer whose first instinct is probably not to adopt the conventional way of doing things and if possible to prove that another way is better.

We do not intend to traverse all the evidence but detailed evidence was given by R. O. Gracie, a supervising engineer for the Corporation and I. R. Hutchings, supervising engineer for the New Zealand Post Office.

The proposals which Mr Bryce put together involved using a transmitter from Manawahe and a translator in Motuhora Island to cover the areas not well served by the Manawahe transmitter. The applicant acknowledged that Mount Edgecumbe did an excellent job of dovetailing in with upstream FM stations (i.e. Mount Te Aroha and Waitarua) and supporting translators in the TV distribution system, but its use for autonomous regional FM broadcasting left much to be desired.

He also saw advantages in co-siting with television in relation to networking. He was concerned however that its coverage would not match that of the existing AM service in some important reception areas. He considered the strength of the signal must equate with the AM listeners' use of the small portable receiver. The applicant considered Mount Edgecumbe would not provide coverage to the eastern extremities of the town of Whakatane, Ohope Beach and Whakatane West railhead to Awakeri and that coverage to the Rangitaiki Plains would be affected.

It was considered that the Manawahe site was the optimum site and had ancillary advantages in terms of tenure, ease of access and interference with other services situated on Mount Edgecumbe. It would provide a better service to Ohope Beach and the service would be adequate to Galatea and Murupara, although in that direction Mount Edgecumbe would provide a stronger signal.

The Motuhora translator would cover those areas along the coastal strip that were not effectively covered from Manawahe.

The use of Motuhora created some concern for the Whakatane Radio Telephone Users Association as it was considered that the use of the frequency for FM broadcasting from there may limit the availability of channel use for radio telephone users.

The Post Office considered the general co-siting policy of the Government should be supported and that no specific technical parameters had been advanced which supported the claim that co-siting at Mount Edgecumbe or near-siting there was not practicable. It was not expected that there would be difficulty in coping with the mobile station or any other services from that site. The Manawahe site, by virtue of its lower height and location, required a significantly greater radiated power to provide a comparable coverage to that of Mount Edgecumbe and this was illustrated by the fact that the applicant's proposal required a mean radiated power of 25 kW (a maximum effective radiated power of 40 kW) when compared with the 10 kW mean power currently radiated from Mount Edgecumbe to give a technically more demanding television field strength.