

It is also proposed, concurrent with the declaration of AS 2243: Part 8, to cancel the endorsement of the British Standard Draft for Development DD 80:1982 *Laboratory fume cupboards*.

All persons who may be affected by this specification and who desire to comment thereon, may obtain copies from the Standards Association of New Zealand, Wellington Trade Centre, 181-187 Victoria Street (or Private Bag), Wellington at the price shown.

The closing date for the receipt of comment is 15 August 1987.

Dated at Wellington this 26th day of June 1987.

DENYS R. M. PINFOLD,
Director, Standards Association of New Zealand.

(S.A. 114/2/1)

Notice of Intention to Vary Hours of Sale of Liquor at Licensed Premises—East Coast Licensing Committee

PURSUANT to section 221A (14) of the Sale of Liquor Act 1962 as amended by section 22 (1) of the Sale of Liquor Amendment Act 1976, I, David Oughton, Secretary for Justice, hereby give notice that the East Coast Licensing Committee on 5 June 1987 made an order authorising variations of the usual hours of trading for the licensed premises known as the Tatapouri Hotel, Tatapouri.

To the intent that on days other than those on which licensed premises are required to be closed for the sale of liquor to the general public the hours for the opening and closing of the said premises shall be as follows:

- (a) On any Monday, Tuesday, Wednesday and Thursday—Opening at 11 o'clock in the morning and closing at 10 o'clock in the evening.
- (b) On any Friday and Saturday—Opening at 11 o'clock in the morning and closing at 11 o'clock in the evening.
- (c) On the Thursday preceding Easter—Opening at 11 o'clock in the morning and closing at 11 o'clock in the evening.
- (d) On any Christmas Eve—Opening at 11 o'clock in the morning and closing at 11 o'clock in the evening.
- (e) On any New Year's Eve—Opening at 11 o'clock in the morning and closing at 00.30 o'clock in the morning of New Year's Day.

Dated at Wellington this 24th day of June 1987.

D. OUGHTON, Secretary for Justice.

(Adm. 2/72/5)

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Decision No. 15/87

BRO 113/85,

BRO 116/85,

BRO 121/85

Before the Broadcasting Tribunal

IN the matter of the Broadcasting Act 1976, and in the matter of applications for commercial FM sound radio warrants for Nelson by: (1) FIFESHIRE FM BROADCASTERS LTD. and (2) BROADCASTING CORPORATION OF NEW ZEALAND and in the matter of an application for an amendment to warrant AM-2YC to establish an FM relay station at Grampian Hills:

Chairman: B. H. Slane.

Member: Robert Boyd-Bell.

Hearing: At Nelson 17, 18 and 19 March 1986.

Counsel: B. G. Impey for Fifeshire FM Broadcasters Ltd., J. J. McGrath and G. R. Rowe for Broadcasting Corporation of New Zealand, B. H. Giles for Independent Broadcasters Association Inc.

DECISION

Dated the 18th day of June 1987

Fifeshire FM Broadcasters Ltd. filed an application for a warrant in 1984.

The same year the tribunal published a provisional schedule for the further development of commercial FM broadcasting services. While the order was tentative, Nelson was listed as a priority.

In 1985 the tribunal called for applications for commercial FM warrants to provide a service to the area served by television transmissions from the Grampian Hills. Applications were received from the Fifeshire company (superseding the earlier application) and the Broadcasting Corporation of New Zealand.

Existing Services in the Area

Nelson presently receives a commercial service from 2ZN operated by Radio New Zealand of the Broadcasting Corporation of New Zealand ("the corporation"). The 2ZN programme is relayed to Golden Bay by relay station 2ZT. The National Programme service from 2YX is also provided by the corporation except on Saturday and Sunday evenings when the Concert Programme is rebroadcast. 2XL is a relay station of 3XG Christchurch broadcasting the programme of Radio Rhema. 2YA and 2YC transmissions from Wellington are received but the signal is not adequate.

The Application

Fifeshire FM Broadcasters Ltd. ("Fifeshire") proposed an alternative commercial service directed primarily to the 15-39 years age group within the population of 62 000.

The applicant would have a capital of 800 000 ordinary shares of \$1 each.

The \$1 shares would be held as follows:

		Percent
R. Lucas & Sons Ltd. (proprietor <i>Nelson Evening Mail</i>)	300 000	37.5
Fifeshire Music Co. Ltd.	135 000	16.875
Capital City Radio Ltd.	119 200	14.9
M. G. Neale & Co. (for allocation to 7 local shareholders)	110 800	13.85
General Printing Ltd.	25 000	3.125
Nelson Travel Ltd.	20 000	2.5
Ian Kirkpatrick	20 000	2.5
Gabrielle M. Hervey	20 000	2.5
	<u>750 000</u>	
Fifeshire Music Co. Ltd. 50 000 options exercisable within 5 years	50 000	6.25
	<u>800 000</u>	<u>100.00</u>

The chairman of the company would be Garth Butler, former managing director of TNL Group Ltd., a Nelson-based major New Zealand company, and director of several other listed companies.

Other directors would be D. R. Lucas, managing director of R. Lucas & Co. Ltd, G. J. Lawley, sales executive, M. G. Neale a sharebroker and D. A. Gold, managing director of Capital City Radio Ltd.

K. D. Ihaia was proposed as general manager and sales manager. D. A. Gold would act as a consultant to the station. A programme manager would be appointed on the grant of the warrant.

The company estimated initial costs of technical equipment at \$375,970 and the antenna system at \$37,766. With studio costs the total cost of the establishment of the station would be \$625,151.

Revenue in year 1 was estimated at \$501,500 retail and \$88,500 agency/national, a total of \$590,000. After commissions, levies and royalties the net revenue would be \$493,830. Expenditure would be \$452,000 plus depreciation of \$77,510 giving total expenditure of \$529,510. The loss for the first year would be \$35,680.

After allowing for inflation, estimated revenue was increased in the second year by more than the rate of inflation and the result would be a smaller loss. A small profit in the third year would rise to \$69,470 in the fourth year.

The advertising rates proposed were \$25 for a 30-second spot in the breakfast period, 6 a.m. to 10 a.m., \$18 for the rest of the day to 7 p.m. and \$12 from 7 p.m. to 1 a.m. It was estimated that in the first zone 4.07 minutes per hour would be sold and for the rest of the day 2.32 minutes per hour would be sold.

The station proposed a self-imposed limit of 8 minutes advertising per hour.

Fifeshire estimated a pre-operating negative cash flow of \$91,000, decreasing in year 1 to \$49,000 and in year 2 to \$3,000. By year 3 it expected to have a positive accumulated cash flow of \$77,000 rising in year 4 to \$203,000 and in year 5 to \$333,000.

The applicant said it had sufficient resources to arrange financing through a combination of debt finance and equity investment.

Fifeshire planned to present the station to a somewhat younger audience than the existing AM stations for it was in that age group that the most significant growth was first achieved in FM radio listenership. The target audience would be 15-39 years, with a primary audience skew towards 18-34 expected.

This was based on the assessment that 2ZN Nelson provided an information based community programme targeted to a 25-54 year age group and the National Programme provided news, current affairs and mature music targeted mainly to a 50-year-plus audience. 2XL Radio Rhema provided gospel-oriented music and features for a minority audience.

The station proposed to take a news service from Independent Radio News Service and Independent Radio Sports, both based in Wellington. Local news would be broadcast at 7, 8 and 9 a.m., 12 noon and 1 p.m. on weekdays.