

Our approach to capacity: SALISBURY

Initially, we intend only to offer capacity in allocations of 24CU on a minimum contract term of 12 months fully prepaid.

This is sufficient to broadcast up to 36 services using audio channels of 32kbps in DAB+ at UEP3.

We believe this strikes the right balance between audio quality and diversity of services broadcast.

Under the terms of our licence, we are required to reserve capacity for 3 C-DSP licenses and we said in our application we would offer carriage to these operators at de-minimis levels.

We refer to this as 'Reserved Capacity'.

Other than those services nominated under reserved capacity, services will operate on fully commercial terms. Our capacity ratecard is published on our website. We refer to this as 'Commercial Capacity' although it can be taken by any type of operator including Community Radio, Commercial Radio and the BBC.

In our application for the licence, we also stated that we would allocate capacity in a way that promotes the greatest diversity of formats and operators in the event of demand for multiplex capacity exceeding supply.

This document demonstrates our approach to allocating capacity:

RESERVED CAPACITY for C-DSP HOLDERS ONLY

In the event that supply outstrips demand for reserved capacity any unused capacity it will remain unutilised – this is an Ofcom requirement.

We will first approach the potential C-DSP operators named in our application to offer them reserved capacity.

The service may launch with 18CU of capacity for a de-minimis administration only charge. They may elect to contract for additional capacity from the reserved capacity at the prevailing rate card.

The reserved capacity operators will be required to otherwise accept the terms and conditions of trading of the multiplex prior to acceptance and be granted a C-DSP licence and hold all other appropriate licenses to operate before the launch of the multiplex.

If there is an excess of stations wishing to take reserved capacity (for example, if those named in our application do not take up all capacity or if we named more operators than there is capacity) then we will allocate it at the time capacity is available on the following basis:

1. Local C-DSP holders

We will prioritise applications from operators who are able to demonstrate to the Board of Muxcast that they are "Local" to the multiplex area. One or more of the following characteristics would be

likely to apply: a proposed simulcast of an FM community service whose licensed area is within or very close to the multiplex area; evidence of physical premises or programme production taking place within the multiplex area; proposed programme content dedicated to coverage of the multiplex area.

2. Localised C-DSP holders

We will next prioritise applications from operators who are not local to the multiplex area but intend to provide a localised version of a wider programme service. We would anticipate proposed programme and advertising content dedicated to coverage of the multiplex area.

3. Diversity of Service

We will next prioritise applications from operators which in the opinion of the Board of Directors will enhance the range of services by genre offered by the multiplex at the time.

4. Diversity of provider

We will next prioritise applications from operators which in the opinion of the Board of Directors are independent from any other existing C-DSP using reserved capacity at the time.

5. Date first expression of interest received at Muxcast

We will next prioritise applications from operators based on the date first communication was received by Muxcast using the form available on our website.

6. Drawing of lots

In the event that there remain two or more applications of equal merit then a drawing of lots will take place.

In order to avoid unutilised capacity, we will expect C-DSP operators to have a licence granted and be in a position to take up capacity within 12 weeks of being allocated capacity by the multiplex.

In the event that reserved capacity is fully utilised, C-DSP operators are welcome to apply / contract for commercial capacity on the multiplex whilst continuing to express and interest in reserved capacity should it become available in the future.

COMMERCIAL CAPACITY

In the event that supply outstrips demand, excess commercial capacity might, at the discretion of the Board be offered for short term services or to enhance the bit rate of stations operating on the multiplex on a short term basis or remain unutilised.

We will first approach the operators named in our application to offer them commercial capacity.

We will expect all those taking commercial capacity to:

- Agree to our trading terms and conditions
- Prepay annually in advance for capacity
- Hold all appropriate licenses to operate
- Be in a position to launch their service within 12 weeks of being allocated capacity on the multiplex.

If there is an excess of commercial capacity (for example, if those named in our application do not take up capacity or we have listed fewer services than there is capacity available) then we will allocate it at the time it is available on the following basis:

1. Local commercial services where the multiplex is 'relevant' for analogue rollover.

We will prioritise applications from operators who are able to demonstrate that by taking capacity on our multiplex they will be able to achieve analogue licence rollover as our multiplex is 'relevant'* to their license. *This is as defined by Ofcom.

2. Local services

We will next prioritise applications from operators who are able to demonstrate to the Board of Muxcast that they are "Local" to the multiplex area. One or more of the following characteristics would be likely to apply: a proposed simulcast of an existing local service whose licensed area is within or very close to the multiplex area; evidence of physical premises or programme production taking place within the multiplex area; proposed programme content dedicated to coverage of the multiplex area.

3. Localised services

We will next prioritise applications from operators who are not local to the multiplex area but intend to provide a localised version of a wider format. We would anticipate proposed programme and advertising content dedicated to coverage of the multiplex area.

4. Diversity of Service

We will next prioritise applications from operators which in the opinion of the Board of Directors will enhance the range of services by genre offered by the multiplex.

5. Diversity of provider

We will next prioritise applications from operators which in the opinion of the Board of Directors are independent from any existing provider on the multiplex.

6. Date first expression of interest received at Muxcast

We will next prioritise applications from operators based on the date first communication was received by Muxcast using the form available on our website.

7. Drawing of lots

In the event that there remain two or more applications of equal merit then a drawing of lots will take place.

CHANGES IN POLICY

As our experience in this emerging sector grows, we reserve the right to make changes to this policy at any time. Any changes to the policy will be made available on our website.

Martin Mumford
July 2021

Change Log

V1.0 – First published 22.4.21

V1.1 – Change to arrangements for CDSP capacity