



JACARANDA FM ANNUAL COMPLIANCE REPORT

MARCH 2017

2015/2016 ANNUAL COMPLIANCE REPORT

JACARANDA FM 94.2

LICENCE PERIOD: 17 DECEMBER 2008 TO 16 DECEMBER 2018

1. PREFACE

The Independent Communications Authority of South Africa (the Authority) has a statutory mandate in terms of the Constitution, the ICASA Act, the Electronic Communications Act (ECA) and the Broadcasting Act to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority, is to ensure compliance by broadcasters with the terms and conditions of their licence, and any relevant legislation and regulations.

The report is intended to give a detailed account of Jacaranda FM's performance for the period 2015/2016 in line with its licence year. Aspects of compliance that are measured comprise the following: Ownership and Control, Management, Geographic Coverage, Languages, Format, Local Content Obligations, General Programming Obligations, Training and Skills Development Obligations, Transmitter Split, People with Disabilities, Complaints, South African Music Content Regulations and Regulations on Standard Terms and Conditions for licences.

2. BACKGROUND

Jacaranda FM is a regional Individual Broadcasting Sound Service Licensee that was licensed to broadcast in parts of Gauteng, Limpopo; North West and the Mpumalanga Provinces. The Broadcasting Research Council (BRC) radio listening survey for the period January 2016 – September 2016 shows that its listenership stands at 1 325 000. Jacaranda FM is an adult contemporary and golden oldies format that plays various genres of music, and discusses current affairs and other topical issues.

3. COMPLIANCE ASSESSMENT

3.1 Shareholding Structure

Clause 1 of the schedule of the service licence provides that:

"The licence is issued to:

- a. Name of Company/Entity: Jacaranda FM (Pty) Ltd*
- b. Shareholders: Kagiso Broadcasting (Pty) Ltd – 80%*
Lagardere Active Radio International – 20%
- c. Ownership held by persons from historically disadvantaged groups:*
Kagiso Broadcasting (Pty) Ltd – 51.11%

The Authority did not receive any changes to shareholding of Jacaranda FM during the period under review.

The Licensee complies with clause 1 of the schedule of its licence.

3.1.1 Board of Directors

The Board of directors of Jacaranda FM is made up of the following people:

- Mr KL Fine - White male
- Mr DBS Galinski - White male (Foreign: French)
- Mr NCL Grubb – White male (Foreign: British)
- Mr MJ Harris – Coloured male (Chairperson of Board)
- Ms M Marinus – White female
- Mr A Mandelstam White male (Foreign: British)

The Board is comprised of 10% female and 90% male.

3.1.2 Management Structure

Senior management at Jacaranda FM is as follows:

- Kevin Fine – General Manager, white male
- Andrew Pike - Technical Manager, White male

- Faith Daniels – Head of News, Coloured female
- Dane Mollett – Human Resources, white female
- Minisha Patel – Marketing Manager, Indian female
- Gavin Meiring – Programme Manager, white male
- Vuyani Dombo – Management Accountant, Black male
- Jane Ruinard – Commercial Sales Manager, White female

The senior management reflects a relatively balanced mixture of male and female, but lacks persons with disabilities serving on the senior management of Jacaranda FM.

3.2 Geographic Coverage

Clause 2 of the schedule of the licence provides that:

"Parts of Gauteng, Limpopo, North West and Mpumalanga as defined in map attached to the radio frequency spectrum licence".

Jacaranda FM has a footprint in Gauteng; Limpopo; North West and the Mpumalanga provinces. The Licensee confirms that its footprint has not changed.

The Licensee complies with clause 2 of the schedule of its licence.

3.3 Broadcast Language/s

Clause 3 of the schedule to the licence provides that Jacaranda FM's languages of broadcast are:

"English 50% and Afrikaans 50%".

The language split of the radio station is 50% English and 50% Afrikaans. Jacaranda FM reports that the 50/50 language split is managed by using a presentation clock, stipulating links in the hour. Presenters are instructed to balance and blend the English and Afrikaans links to ensure that a bi-lingual split is achieved. In addition, the language quota is monitored in daily and weekly air checks.

Jacaranda FM furthermore reports that its 50% English and 50% Afrikaans language split is achieved by their programme schedule, where the language of

all programming features including news, weather, traffic and sport is pre-determined. In addition, the station, as a music service, relies on its imaging package and presentation of its presenters to balance the languages. All presenters are directed to balance the languages in all their live links.

The monitoring exercise confirmed Jacaranda FM's English and Afrikaans split in between its shows and equally on its news reports. The transition blends in well with no noticeable distraction. For instance, on the Complimentary Breakfast Show, the presenter casually switches between languages which is part and the overall identity of Jacaranda FM.

The Licensee complies with clause 3 of the schedule of its licence.

3.4 Format

Clause 4.1 of the schedule to the licence provides that:

"The Licensee shall have a programming format of music in an adult contemporary/golden oldies format providing a mix of music and information that is community based".

The Licensee reports that its music policy on RM FM and Jacaranda FM is based on the Adult Contemporary format, focusing on hits from the 80's, 90's and current music. The music is split at approximately 50/50 basis between old and new/current.

The monitoring exercise revealed that Jacaranda FM provides programming that appeals to adults in contemporary South Africa, this is also reflective in the playlist of music which include golden oldies as well as top 40 hit songs. The content also includes community driven stories that are inspirational and appeal to the target market. A segment called "Good Morning Angels" is one example that is aimed at helping those who are less fortunate in communities. The Licensee reports that it is in the process of registering a trust which will be dedicated to all its CSI initiatives.

The Licensee complies with clause 4.1 of the schedule of its licence.

Clause 4.2 of the schedule to the licence provides that:

"The Licensee may not change more than fifteen percent (15%) of its format between 05h00 and 23h00".

The monitoring exercise revealed that the Licensee does not change more than 15% of its format during the performance period. The programming line-up is consistent with time slots for various segments strictly adhered to in terms of News; Traffic Updates and Ad Breaks.

The Licensee complies with clause 4.2 of the schedule of its licence.

3.5 Local Content Obligations

Clause 5 of the schedule to the licence provides that:

5.1 *"The Licensee shall annually hold live music concerts featuring South African artists, and*

5.2 *The Licensee shall provide new local artists with a platform to promote their music".*

Jacaranda FM promotes local talent on-air and is exceeding the 25% local music quota monthly.

The following are some examples of the live concerts supported and managed by the radio station during the period under review:

- MBD Tour – Local acts join the Martin Bester Drive on a party bus and perform a song in 3 different venues as well as live on air. Guests include Jack Parrow and Gangs of Ballet
- Hyndai Rock the Run, featuring Newton's 2nd Law
- GMA Golf Day featuring Bobby van Jaarsveld and Rocco de Villiers
- Jacaranda FM Cruise featuring Kurt Darren and Nadine
- Sisters with Blisters, featuring Louise Carver, DJ Jazzy D and The Delivery Boys

During the period under review, the licensee also reports that it conducted several interviews and performances by local artists including:

- 05 February – Jack Parow (MBD) – interview + live performance
- 19 February – Kurt Darren (MBD) – interview + live performance
- 22 February – I Am (Frankie & Kriya) – interview + live performance
- 23 February – Azurdee (Frankie & Kriya) – interview + live performance
- 24 February – The Vacancy (Frankie & Kriya) – interview + live performance
- 25 February – 2nd Life (Frankie & Kriya) – interview

The Licensee furthermore, featured new tracks by SA artists for the first time in February 2016:

- Bok van Blerk – Modder en Bloed
- Charlize Berg – Braaf
- ADAM & Daniel Baron – You
- Jack Parow & Ertebrekers – Party Too Much
- Amor Vittone – Te Laat Vir Totsiens
- Matthew Gold – Lay Down
- Francois van Coke – I Love You All The Time
- Sam & Calla – Kragboks
- Saarkie – Ai My Lam
- Martin Bester – Ou Spoor

Jacaranda FM has complied with clause 5.1 and 5.2 of the schedule of the licence.

3.6 General Programming Obligations

Clause 6.1 of Jacaranda FM's schedule of the licence provides that:

"The Licensee shall, during each weekday, broadcast an average of:

6.1.1 Twenty seven (27) minutes of national news;

6.1.2 Thirteen (13) minutes of news related to coverage area; and

6.1.3 Fifteen (15) minutes of international news, with particular emphasis on news from African Content"

Clause 6.2 of Jacaranda FM's schedule of licence provides that:

"The Licensee shall broadcast newscasts on all weekdays from 05h00-19h00 and on weekends from 07h00 to 18h00".

Information submitted by the Licensee to the Authority indicated a breakdown of news broadcast as follows:

- Total minutes weekdays = 50.84 minutes (English = 25.67; Afrikaans = 25.17)
- Total minutes Saturday = 37 minutes (English = 18.50; Afrikaans = 18.50)
- Total minutes Sunday = 32 minutes (English = 16; Afrikaans = 16)
- Total minutes per week = 312.67

The Authority's monitoring exercise indicated that Jacaranda FM broadcasts an average of 20 news bulletins and headlines on week days, and on weekends there are 12 news bulletins. News is broadcast every hour from 05h00 to 19h00 and on weekends from 06h00 to 19h00. The news is broadcast in 50% English and 50% Afrikaans.

Jacaranda FM's main news bulletins last for approximately 3 minutes; amounting to approximately 42 minutes of news per day excluding headline news. Jacaranda FM news is focused more on local news, regional news and international news. A bulk of news bulletins is local news, while international news, including news from the continent takes up between 10 and 15 minutes of news per day.

The Licensee reports that whilst its footprint is mainly South African, neighbouring countries form part of its news coverage. This includes stories from Zimbabwe; Mozambique; Botswana; Namibia, Swaziland and Lesotho. The African content is driven by the South African agenda, which coincides with those listed countries. The AU would be important content considering South Africa's leadership role in it. African visits by the South African head of state are also important news that gets covered. The Licensee further reports that it has sourced news from various radio station from around the continent to contribute to their news coverage.

The following is an example of national news item broadcast by the radio station during the period monitored:

- *"The State has withdrawn its case against Nico Henning, the Pretoria businessman accused of murdering and conspiring to murder his wife Chanelle. The announcement came as a shock to the gallery, as the trial was expected to begin on Monday"; and*
- *"Police fired stun grenades and rubber bullets on the Wits campus in Braamfontein. That's after students threw stones at police and private security. Students were trying to gain access to the Solomon Mahlangu hall but security stayed put, blocking the way. Another group started disrupting classes and knocking on lecture hall doors. Earlier student leaders addressed a large crowd of students, urging them to remain calm while accompanied by leaders of the SA council of churches".*

Jacaranda FM has demonstrated compliance with clause 6.1 and 6.2 of the schedule of the licence.

Clause 6.3 of the schedule of Jacaranda FM's licence provides that:

"Should the Licensee source news material from a source other than itself, the source(s) thereof shall be disclosed during the news broadcast".

The Licensee reports that it has sourced news content from various correspondents and other radio stations from across the continent. Monitoring exercise indicated that Jacaranda FM credits the sources other than itself during news bulletins examples of news sources referred to above included Reuters and Agence France-Presse (AFP).

Jacaranda FM complies with clause 6.3 of the schedule to the licence.

3.7 Training and Skills Development Obligations

Clause 7.1 requires the Licensee *'to assist in the development of broadcasting knowledge and skills amongst historically disadvantaged groups in the industry by "adopting" at least three community sound broadcasters within the broadcasting coverage area and providing them with, among other things, managerial and*

technical training through the holding of workshops and hands –on experiential training at Jacaranda FM’.

Jacaranda FM reports that it has committed to community sound broadcasting stations in the fields of training, skills development and technical provisions.

Below is a list of community broadcasters and media institutions assisted by Jacaranda FM for the period under review:

- Tuks FM,
- Wits Radio Academy (VOW) 88.1;
- Radio Islam 89.0; and
- Boston College

University of Pretoria

News Editor (Marius van der Walt) spent some time with students ranging from, 1st to 3rd year students. Topics discussed include: What it takes to make it in commercial radio; role and responsibilities of a News Editor and Daily Activities in the newsroom

Wits Radio Academy

During the VOW Radio Conference 2016, the General Manager of Jacaranda FM, Mr Kevin Fine facilitated a session on radio management. These two stations were also offered a 12-month internship programme where students are exposed to daily news coverage and current affairs shows.

Radio Islam 89.0

Jacaranda FM’s IT & Technical Manager assisted Radio Islam with technical advice and assistance over 2 days in June 2016. Topics covered include how to improve the sound of microphones and broadcast processing.

Boston College

In April 2016, the Head of News (Faith Daniels) delivered a lecture to the 3rd year journalism class at Boston College. Topics discussed include Fundamentals of Journalism; Realities of the South African newsroom; politics and how to cover it

and other matters. Furthermore, Field Journalist (Slindile Masaikane) was also part of the lecture, assisting the students with topics such as what it takes to service in an environment with hourly deadlines and the importance of being impartial when covering news.

Jacaranda FM has complied with clause 7.1 of the schedule of the licence.

Clause 7.2 of the schedule of Jacaranda FM's licence provides that:

"The Licensee shall spend at least R1 500 000 00 (one million five hundred thousand Rand) over its licence period on training and skills development.

Jacaranda FM reports that it has, for the period under review, spent R3 102 909.80 on training and development. This amount exceeds the stipulated requirement by R1 602 909,80. **Accordingly, Jacaranda FM has, for the period in review, complied with clause 7.2 of the schedule of the licence.**

3.8 Transmitter Split

Clause 9 of Jacaranda FM's schedule of the licence provides that:

"The Licensee is authorised to operate a transmitter split service known as RMFM for four (4) hours per day from 12h00 to 16h00 weekdays and 10h00 to 14h00 on Saturdays in Limpopo and the North-West Province, as is set out in the radio frequency spectrum licence".

The monitoring exercise confirmed that the radio station broadcasts its programmes for four hours as stipulated in the licence.

Jacaranda FM complies with clause 9 of the schedule of the licence.

4 REGULATIONS

4.1. South African Music Content Regulations

Regulation 3.2 of the Regulations on South African Music Content as published on 31 January 2006 provides that:

"Every holder of a commercial sound broadcasting licence to which these regulations apply must ensure that a minimum of 25% of the musical works broadcast in the performance period consist of South African music and that such

South African music is spread reasonably evenly throughout the said period” (Regulations on South African Music Content attached as Attachment E).

Jacaranda FM plays approximately 26% South African music including interviews with local musicians and is in compliance with the South African Music Content Regulations. Some of the local artists monitored are Locnville; Elvis Blue; Riana Nel; Gavin Edwards; Dewald Wasserfall; Gangs of Ballet and many more.

Jacaranda FM was found to be in compliance with the South African Music Content Regulations

4.2. Regulations regarding Standard Terms and Conditions for individual broadcasting licences

During the year under review, the Authority did not identify any non-compliance by the Jacaranda FM with the standard terms and conditions for individual licences.

4.3 General Licence Fees Regulations

Regulation 3 (1) (a) of the General Licence Fees Regulations provides that:

“The annual Licence fees prescribed in these regulations and as set out in Schedule 2 apply to holders of Individual and Class ECS licences, Individual and Class ECNS licences and Individual Commercial BS licences”.

Schedule 2 under Annual Licences Fees provides that:

“Individual Commercial Broadcasting Service Licensees to pay an annual licence fee of 1.5% of gross profit to the Authority”.

Schedule 3 (4) (b) (c) provides that:

“(b) in respect of payment, such are due and payable within 6 months from the end of the licensee’s financial year;

(c) may only be paid by way of an electronic transfer or via direct deposit into the Authority’s bank account”

Jacaranda FM has paid an amount of R1 091 568.00 in licence fees and has **therefore complied with the General License Fees Regulations.**

4.4 Universal Service and Access Fund (USAF) Regulations

Regulation 3 (1) of the prescribed annual contribution of licences to USAF regulations published on 10 February 2011 provides that:

"Every holder of the licence granted in terms of Chapter 3, 4 and /or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2 % of the annual turnover, to the Fund".

Regulation 3 (2) stipulates that:

"A BS licensee who has paid an annual contribution to the MDDA must set off that contribution against its USAF contribution, provided that the MDDA contribution and the USAF contribution against which it is set off are for the same financial year".

Jacaranda FM paid R588 352.00 in USAF contributions which was directed at the MDDA.

Based on the proof of payment submitted to the Authority, Jacaranda FM has, for the period in review, **complied with the Universal Service and Access Fund Regulations.**

5. COMPLAINTS

The Licensee is a member of the National Association of Broadcasters (NAB) and complaints in relation to the Code of Conduct by Broadcasters are administered by the Broadcasting Complaints Commission of South Africa (BCCSA).

For the period under review, there were no complaints lodged against Jacaranda FM.

6. CONCLUSION

For the period under review Jacaranda FM has complied with the terms and conditions of its licence.

7. TERMS OF REFERENCE

7.1 Attachment A: Jacaranda Service and Frequency Licence