

# **COMPLIANCE REPORT 2010 – 2011**

## **JACARANDA FM 94.2**

Licence Period: 17 December 2008 to 16 December 2018<sup>1</sup>

### **1. PREFACE**

The Independent Communications Authority of South Africa (“the Authority”) has a statutory mandate in terms of the Constitution<sup>2</sup>, the ICASA Act<sup>3</sup> and the Electronic Communications Act<sup>4</sup> (“EC Act”) to regulate broadcasting activities in South Africa in the public interest. The Authority is tasked with ensuring compliance by broadcasters with the terms and conditions of their License, the Electronic Communications Act (“EC Act”), the ICASA Act, and any relevant legislation and regulations.

The report is intended to give a detailed account of Jacaranda FM’s performance for the period 2010/2011 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, and 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 Commercial Sound Broadcasting Service Licensee that was licensed to broadcast in parts of Gauteng, Limpopo; North West and Mpumalanga Provinces. Jacaranda FM provides an adult contemporary and golden oldies format that includes various types of music, as well as current affairs and other topical issues.

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<sup>1</sup> Appendix A- Jacaranda FM’s License terms and conditions

<sup>2</sup> The Constitution of the Republic no 108, 1996

<sup>3</sup> ICASA Act no 13, 2000 as amended

<sup>4</sup> Electronic Communications Act no 36, 2005

### **3. COMPLIANCE ASSESSMENT**

#### **3.1 Shareholding Structure**

Clause 1 of the service licence provides that:

*"The licence is issued to:*

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

*Naledi Media Investment Holding Pty Ltd – 60%*

*Little Swift Investments 36 Pty Ltd – 20%*

For the period under review, the Authority did not receive any information regarding Jacaranda FM's change to its shareholding structure.

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

##### **3.1.1 Board and Management**

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

- Mr A Manderstam – White male (foreign: British)
- Miss F Roji – Black female (independent director)
- Mrs S Radebe – Black female (independent director)
- Mr M Morobe – Black male (Chairperson)
- Mr A Khan – Indian male (Executive Director)
- Miss S Magingxa – Black female (Executive Director)
- Mr Omar Essack - Indian male
- Mr M van Zyl – White male

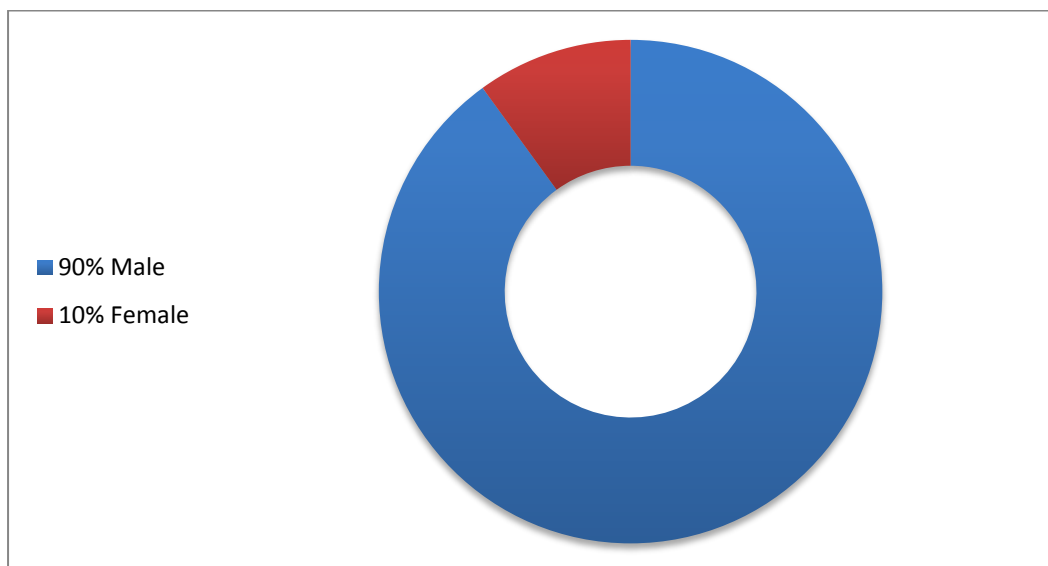
The Board is comprised of 40% female and 60% male.

### 3.1.2 Management Structure

Senior management at Jacaranda FM is as follows:

- Andrew Pike - Technical Manager, White male
- Denzil Taylor – Managing Editor: News and Sports, Coloured male
- Dewald Hattingh – Station Manager: RMFM, White male
- Jenny Griesel – Marketing Manager, White female
- Kevin Fine – General Manager, White male
- Neil Johnson - Head of New Talent and Programming, White male
- Warren Bedil – Commercial Director, White male

The figure below represents gender breakdown at senior and middle management level excluding the projects manager:



### 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 Mpumalanga provinces. *(Refer to service and frequency spectrum licence for further details marked as Appendix A)*. The Licensee confirms that its footprint has not changed.

The Licensee complies with clause 2 of the schedule to the 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 a bi-lingual split is achieved. Furthermore the language quota is monitored in daily and weekly air checks *(See Appendix B for further details on language split details)*.

The Authority's monitoring confirmed that there is a balance in terms of language split as per clause 3 of Jacaranda FM's license. This was evident during news broadcasts, sports, weather and traffic reports.

The Licensee complies with clause 3 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 radio station provides a programming format as defined in its licence. Music format is categorised as adult contemporary genre. The songs are sourced from the 80's, 90's and current, as the core audience is in their mid to late 30's. An example of some of the music broadcast on Jacaranda FM is Celine Dion; Rod Stewart; Michael Buble; Taylor Swift and Shania Twain.

The Licensee complies with clause 4.1 of the schedule to the 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 Authority's monitoring exercise indicated that the radio station does deviate from its format but deviation is not more than 15% during performance period (05h00- 23h00). This occurs mainly during Public Service Announcements or other types of CSI initiatives.

The Licensee complies with clause 4.2 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 concert featuring South African artists, and*
- 5.2 The Licensee shall provide new local artists with a platform to promote their music".*

Jacaranda FM reports that it promotes local talent on-air.

The following are examples of the live concerts held by the radio station during the period under review:

- The Loveboat Cruise with live music performances featuring Pieter Koen and EDEN;
- Deurimikke Concert at Supersport Park, in Centurion Pretoria. The concert featured Steve Hofmeyer; Liaine May; Jakkie Louw; the Green Apple Project; Karen Zoid; Watershed; and other local bands;
- Innibos Concert in Nelspruit featuring Theunus Jordaan; Bobby van Jaarsveld; Nianell; Jay; Dozi; Sarah Theron and Bok Van Blek;
- Carols by Cadlelight in Pretoria featuring Kurt Darren; Romanz; Soweto Gospel Choir; Brandon October; Eden and Nianell
- Women's Month High Teas with Charlize Berg;
- Winter Warmer Concerts at schools with Bobby van Jaarsveld and Prime Circle; and
- Jacaranda Day. This is a new initiative which is a family event at Supersport Park with 15 local artists and bands live on stage, with children under the age of 12 getting a free entrance.

Jacaranda FM also supported various local music initiatives such as The Vonk Afrikaans Music Awards as well as Liefeling, a local film, with a sound track.

Jacaranda FM has complied with clause 5.1 and 5.2, respectively.

### **3.6 General Programming Obligations**

Clause 6.1 of Jacaranda FM's license 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 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 = 45.33 minutes;
- Total minutes Saturday= 34 minutes;
- Total minutes Sunday = 32 minutes; and
- Total minutes per week = 284.67 (See Appendix C, news breakdown).

The Authority's monitoring exercise indicated that Jacaranda FM broadcasts an average of 20 news bulletins and headlines on weekdays, and on weekends there are 12 news bulletins. The news is broadcast every hour from 05h00 to

20h00 and on weekends from 06h00 to 20h00. The news is broadcast in 50% English and 50% Afrikaans.

Jacaranda FM's main news bulletins last for approximately three (3) minutes; amounting to approximately forty-two (42) minutes of news per day excluding headline news. Jacaranda FM news is focused more on local news, regional news and international news. The bulk of news bulletins is local news, and international news, including news from the continent is between 10 and 15 minutes of news per day.

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

*"The Euro-zone has moved a step closer to resolving its debt crisis today.*

*Greece's new coalition government and interim Prime Minister Lucas Papademos was sworn in, ending days of political wrangling".*

Jacaranda FM demonstrated compliance with clause 6.1 and 6.2 of its licence.

Clause 6.3 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".*

Monitoring of Jacaranda FM indicated that whenever the radio station reported on news that it had obtained from other sources other than itself, such sources were disclosed during the relevant news bulletin. An example of monitored news is as follows:

*"Ivian Sarkoz, Miss Venezuela was crowned Miss World 2011 at the beauty pageant in London, while our contestant Miss South Africa Bokang Montjana came in a respectable 7<sup>th</sup> place. For more information, visit J Blog News website on this story."*



Jacaranda FM complies with clause 6.3 of its 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'.*

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

- University Of Pretoria (Tuks FM)
- Wits Radio Academy (Voice of Wits)
- University of Johannesburg (UJ FM)

Jacaranda FM adopted community radio stations listed above with various radio related skills and other media and technical training. Jacaranda FM also took part in lectures on Marketing Radio for Boston Media House students. The lecture covers audience measurement and identification, as well as how to use radio content to captivate audiences. Further, Jacaranda FM also strives to invite students to their studios for a first-hand experience and exposure to the world of commercial radio.

Furthermore, Jacaranda FM also facilitated a Radio Programming and Production course at Wits Radio Academy. The module is held for a week, every year in July and it is a NQF 6 level qualification. The course develops competence in radio programming and production, with a particular focus on local and community radio. *(See Appendix D for further details on Training and skills development).*

Jacaranda FM has complied with clause 7.1 of its licence.

Clause 7.2 of Jacaranda FM's license 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 has spent R472 259.66 on training and development for the year in review. Jacaranda FM complied with clause 7.2 of the licence.

### **3.8 Transmitter Split**

Clause 9 of Jacaranda FM's 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 conducted confirmed that the radio station broadcast its programmes split for four hours as stipulated in the licence.

Jacaranda FM complies with clause 9 of its 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 Appendix E).*

Jacaranda FM broadcasts approximately 31% 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 Jamali; EDEN; Joan Osbourne; Elvis Blue; Michael Lin and Tal Bachman.

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

During the year under review, the Authority noted that Jacaranda FM did not lodge a notification with the Authority in respect of the new Board member. No other areas of non-compliance by the Jacaranda FM with the standard terms and conditions for individual licensees (*See Regulations regarding Standard Terms and Conditions for Individual Licences attached as Appendix F*).

#### **4.3 General Licence Fees Regulations**

Regulation 3 (1) (a) of the General License 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 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 one million six hundred and ninety thousand, five hundred and seventy six rand and thirty four cents (R 1 690.576.34) in license fees during the period under review. The amount was paid six (6) months after the radio station's financial year end, which is 30 June each year.

Jacaranda FM complies 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) provides 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 its annual contribution fee to the fund and submitted proof of payment to the Authority in December 2012.

Jacaranda FM complies with the Universal Service and Access Fund Regulations.

#### **5. CONCLUSION**

For the period under review Jacaranda FM has generally complied with the terms and conditions of its licence. The Licensee did not comply with the Standard terms and Conditions in that it did not lodge a notification with the Authority in respect of the new board member. This matter will be discussed with the Licensee.

## **6. APPENDICES:**

Appendix A: Jacaranda Service and Frequency License

Appendix B: Language Split

Appendix C: Promotion

Appendix D: News Breakdown

Appendix E: Skills Development

Appendix F: Regulations on South African Music Content

Appendix G: Regulations regarding Standard Terms and Conditions for Individual  
Licences

Appendix H: General Licence Fees Regulations

Appendix I: Universal Service and Access Regulations