



Annual Compliance Report Local Commercial FM Licensee

Clause 10 of the Licence Agreement between the Licensee and the Crown (through the Ministry of Economic Development) requires a compliance report to be submitted each year. This template is provided for use by the Licensee to fulfil this requirement.

Reporting Period: 1 July 2009 to 1 July 2010
Submit Report by: 31 July 2010

Name of Licensee:

Pulzar Broadcasting Company Ltd.

Name (and position) of person completing this form:

Andy Poulsen (Station Manager)

Address:

P.O. Box 13-209, Christchurch 8141

Email:

Andy.poulsen@pulzarfm.co.nz

Telephone:

03 377 9600

Licence ID:

211601

Broadcast Frequency:

105.7fm

Station Name:

Pulzar FM

Station Office and Studio Address:

Level 5, 159 Manchester Street, Christchurch 8011

Date commenced broadcasting:

18th April 2009



Clause 10.2 of the Licensee Agreement requires a statutory declaration affirming the broadcaster's adherence to the terms and conditions of the Licence Agreement. This page is to be completed and submitted to meet this requirement.

Statutory Declaration

Local Commercial FM Radio Broadcasting Licences

STATUTORY DECLARATION

I, **Andrew Ronald Poulsen of Christchurch**, solemnly and sincerely declare that:

1. I am a director of Pulzar Broadcasting Company Ltd. ("Licensee") and am authorised to make this declaration on its behalf.
2. I declare that the Licensee has throughout the period 1 July 2009 to 30 June 2010, complied with all the terms and conditions of a local commercial FM radio broadcasting licence
3. I confirm that the attached compliance report is full and correct for the period from registration of the licence in the name of the Licensee to 1 July 2010.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at ChCh Police Station

Date 30/7/10

[Signed by a Justice of the Peace or other person authorised to take a statutory declaration in terms of Section 9 of the Oaths and Declarations Act 1957]

K. D. Newman
Senior Constable 3991
New Zealand Police, ChCh.
An Officer authorised to take
Statutory Declarations

30/7/10



Compliance Report - Detail

Please read Appendix A (extracts from Licence Agreement) of this report while filling in this section.

Fees

Clause 5.1 **Compliant**

Eligibility

Clause 6.1 **Compliant**

No other controlling interests to be held

Clause 6.3 **Compliant**

Clause 6.4 **Compliant**

Please identify all interests or associations in other radio broadcasting licences, including any economic, contractual, operational, or family associations with holders of such licences:

None

Financial information required in support of Clause 6.4:

1. Shareholding and other financial interests in the licensee are held by:

Andrew Ronald Poulsen	40%
Jason Richard Akehurst	40%
Sebastian Anthony Wild	10%
Someone You Can Trust	10%

2. Details of any interests held by above parties in other broadcasting licences:

None

3. Details of funding received during this reporting year:

No Outside Funding has been received this year aside from commercial advertising.

4. Details of donations / grants received during this reporting year:

\$3800 donation received during a fundraising weekend

Note: The above details can be provided as separate documentation if preferred. Please list any documents attached to this report:



Operations

Clause 6.6

Compliant

During which hours are you broadcasting each day (e.g. 6am to 8pm, or 24 hours)?

24 hours

Clause 6.7

Compliant

Please list the local community groups (and main contact name) with which you have relationships, and detail how you have facilitated the provision of relevant broadcasting services from these organisations (e.g. provision of local community information broadcasts):

We are in contact with the following organisations. We have offered all these organisations a contact person within our organisation (Jason Akehurst) with whom they can liaise to inform our audience of events, happenings, and other items of interest. We also offer a free charity advertisement in every hour, and have had a number organisations from the below list take up the offer. We have also partnered with organisations like Family Planning and the NZ Fire Service to run promotions of interest to our audience.

0800 Hungry	Kerry Benseman
NZ Fire Service	Dan Coward
Christian World Service	Pauline Mckay
Ronald McDonald House	Nickie Barlow
NZ Aids Foundation	Dawn O'connor
Family Planning	Paul Scammell
White Elephant Trust	Anthony Rohan
Sumner Rugby	Tim "Crowbar"
Canterbury Rugby Football Union	Amanda Carmichael
180 Degrees Trust	Jeremy Nurse
A.J. Day Options Trust	Jim Sullivan
Adult Reading Assistance Scheme (ARAS)	Maureen Vance
Amnesty International	Pui Yi Cheng
Antarctic Heritage Trust	Fiona Wills
Asthma Canterbury	Chris Summerfield
Arthritis New Zealand	Jan Harrison
A.S.K Trust	Alyson Bradley
Big Brother Big Sister Of Christchurch	Matt Button
Canterbury Association For Gifted Children And Youth	Kate Coleman
The Canterbury Workers Educational Association	Margaret Lovell-Smith

Canteen Child Cancer	Victoria Hawkins
Christchurch Budget Service Inc.	Jan Green
Christchurch City Mission	Margaret Gilbert
The Christchurch Multiple Birth Club	Kylie Turner
Delta Community Support Trust	Tim Weir
Disability Information Service	Centre Administrator
Dress For Success Christchurch	Jenny Brown
Foundation For The Blind	Jillian Buzzard
Habitat For Humanity Christchurch Ltd	Howard Booth
Home & Family Society	Robin Furley
The Housing For Women Trust	Valerie Quinn
Kingdom Resources	John Exton
Kiwi Family Trust	Rebecca Aitken
Lifeline Christchurch	Fiona Robertson
The Lifepaths Charitable Trust	Jackie Walker
Lincoln Envirotown Trust	Sue Javis
New Zealand Red Cross	Rosemarie North
R.S.P.C.A.	Bob Kerridge
Salvation Army	Jon Hoyle
Wai-Ora Trust	Ricky Ehau

Content

Clause 6.8

Compliant

List separately local news, information, stories and history segments:

Every breakfast show and in many of our other shows we discuss local news, information, stories and history. As a commercial format we don't have a regimented segment structure, we just include material as content that runs throughout our programme as appropriate.

For most of last year we featured a daily "Today In History" piece that was axed after the producer that made it up for us departed, mostly because it didn't cover much in the way of local history. We are considering reintroducing this in a new way later this year.

Following evaluation and consideration of a complaint laid with MED in June 2010, we have introduced formal local news segments in each hourly News bulletin (6am, 7am, 8am, 9am, 5pm and 6pm weekdays).

We cover local rugby fixtures and other local sporting events on a Saturday morning between 10 & 2.

We also include a daily local ski report during the winter months and a surf report in summer.

List community issues covered:

Over the course of the last year we have discussed many issues every day, including bullying in schools, the local body elections, civic sculptures like the Chalice in the Square, tramway extensions, water issues, Environment Canterbury, local businesses, the Christchurch SBS Marathon, Christchurch City Council, boy racers, obesity, current medical trends in Christchurch, Christchurch District Health Board, bus lanes and liquor licensing laws.

We also have local MP's Brendan Burns and Nicky Wagner visit most weeks (Brendan on Mondays, Nicky on Fridays) to discuss what's happening in the world of politics and cover the issues of the day.

We have full audio logs (as mp3's) for most hours that have been broadcast on the station, so if the MED require particular examples we are happy to provide these logs.

List programming aimed to inform, entertain and involve a specified or under-served local community or communities of interest:

All of our programming targets the young and young at heart people of Christchurch.

We also have two NZ music programmes (Sanchez on NZ - Wednesday 6-8pm, Kiwi As - Sunday 6-8pm) that promote local and national NZ music.

We have a great reputation already for promoting local music, with big successes promoting local Christchurch acts like Green Like Go, Pikatunes, Gomorrah, Dr Cyrus, Madfaces and Camo MC and have even formed great relationships with well known groups like Salmonella Dub, Truth, Minuit and dDub.

Clause 6.9

Compliant

What hours do you broadcast local programming each day of the week?

Day	AM hours	PM hours
Monday:	0600 - 1200	1200 - 2200
Tuesday:	0600 - 1200	1200 - 2200
Wednesday:	0600 - 1200	1200 - 2200
Thursday:	0600 - 1200	1200 - 2200
Friday:	0600 - 1200	1200 - 0000
Saturday:	1000 - 1200	1200 - 0100
Sunday:		1400 - 1600, 1800 - 2200

How is your content identifiably local between the hours listed above? For instance, how does it demonstrate a geographic, social or cultural affinity with the target audience?

The on-air announcers are from the local audience (most aged 18-22), and are living similar lives to those that listen to the station.

In the evenings a number of local announcers & DJ's present specialist shows, targeting a particular audience/demographic/interest group (e.g. Le Femme, Friday's 6-8pm targeting girls aged 16-24 or The Source, Thursdays 6-8pm which is aimed at students).

Do you propose any changes in your programme schedule or content for the coming year?

No

If yes, please provide details:



Transfers

Clause 7.1

Either:

No transfers, modifications, lease, sharing or surrender of control; OR

Transfers, modifications, lease, sharing or surrender of control approved by Ministry; OR

Transfers, modifications, lease, sharing or surrender of control not approved by Ministry.

If one of the latter two options, provide details:

Compliance

Clause 9.1

Compliant

Provide details of any contact with the Broadcasting Standards Authority:

No complaints have been received from the BSA.

Clause 9.3

Compliant

Provide details of any individual complaints received by the Licensee and describe how they were dealt with:

We received two complaints during the 2009/2010 year.

1. 19/8/09 Inga Schreiber took issue with comments made by Josh Armstrong of the Morning Grind breakfast show regarding overweight people. The station manager wrote to Inga apologising for the comment, and instructing her on how to follow up the complaint with the BSA if she wished to, and the announcer in question broadcast an apology the following morning. The station manager also discussed the complaint with the announcers and stressed their responsibility to be considerate of all our audience. As the complainant seemed happy with our resolution we took this no further.



2. 2/6/10 Ministry of Economic Development forwarded a complaint related to our compliance with the Local Commercial licence regulations. This was considered and evaluated in depth by the board and shareholders, and answered accordingly. With the strong local focus we already had we felt most of the concerns raised were nit-picking, however the lack of a formal local news break was recognised, and we introduced a local news segment with every news broadcast from 1/7/10. We have copied our response to the Ministry as Appendix B of this document.

Records

Clause 10.3 **Compliant**

Available at: <http://www.pulzarfm.co.nz/rsm>

Clause 14.1 **Compliant**

General

Additional information relating to compliance with the Licence Agreement you think might be relevant (e.g. for non-compliant responses):

Please fill in and return this report by 31 July 2010.

Required documentation can be sent via post, word document or PDF file.

Email address is Crownspectrum@med.govt.nz

Postal Address:
Attention: Crown Spectrum Asset Manager
Ministry of Economic Development
PO Box 1473
Wellington



Appendix A – Extracts from Licence Agreement

5 Fees

- 5.1 The Licensee must pay to the Chief Executive fees as prescribed in and in accordance with the Regulations.

Obligations of the Licensee

6 Eligibility

- 6.1 The Licence is to be registered in the name of a natural person or persons, or a legal entity owned or governed by a natural person or persons (“the owner”), normally resident in the Area. This condition must be maintained throughout the term of the Licence.
- 6.2 The inclusion of the owner in the Electoral Roll for an electorate substantially within the Area will be accepted as evidence of normal residence.

6 No other controlling interests to be held

- 6.3 The Licensee may not hold (directly, or through associations) any controlling interest in other licences suitable for sound broadcasting in the coverage area or elsewhere in New Zealand.
- 6.4 No shares or other financial interest in the Licensees licensed broadcasting operation may be owned or funded by a third party with any controlling interest in other licences suitable for sound broadcasting in the coverage area or elsewhere in New Zealand.

6 Operations

- 6.5 The station’s office and studio operations are to be located within the Area.
- 6.6 The broadcasting service must operate for a minimum of 12 hours daily.
- 6.7 The Licensee will establish and maintain working relationships with significant groups within the local community of the Area such as territorial and regional government, emergency management, iwi and runanga, educational institutions, youth and community groups, and organisations for the disabled and will facilitate the provision of relevant broadcasting content from such organisations.



6 Content

- 6.8 Locally generated programming shall be designed with a strong emphasis on previously unmet needs and interests of listeners within the Area, and will include the following content broadcast from within the Area:
- local news, information, stories and history;
 - discussion of community issues, including political processes;
 - programming aimed to inform, entertain and involve a specified or under-served local community or communities of interest.
- 6.9 The Licensee must ensure that local programming is broadcast for at least 5 hours per day during peak hours. For the purposes of this clause, peak hours means:
- a. any time between 0600hrs and 1000hrs and between 1600hrs and 1900hrs on a Working Day;
 - b. any time between 0600hrs and midnight on any day that is not a Working Day.

7 Transfer Rights

- 7.1 The Licensee must not transfer, modify, lease or share the frequency, or otherwise surrender control of transmissions, without first obtaining the written consent of the Chief Executive, and such consent may be declined in the absolute discretion of the Chief Executive.

9 Compliance

- 9.1 All licensees will comply with the requirements of the Broadcasting Act 1989 and Broadcasting Standards Authority regarding station identification, codes of broadcasting practice and complaints procedures.
- 9.2 The Licensee agrees to the Licensor undertaking a compliance audit at any time to demonstrate the terms and conditions are being adhered to.
- 9.3. The Licensee shall respond in writing to individual complaints received or referred to them within 21 days of receipt and shall provide copies of the complaint and response to the Ministry of Economic Development within 30 days. The Chief Executive may undertake further investigation, including conducting a compliance audit, as seen necessary.

10. Annual Reporting Required

10.3 The licensee will make a copy of each annual compliance report available to the general public for at least three years from the original publication date. Commercially sensitive financial information may be withheld from the published report provided that it is not required to be published under relevant commercial legislation.

14 Maintenance of Records and Provision of Information

14.1 The Licensee must maintain all records of information that relates to its obligations and compliance with the terms of this Licence Agreement. The Licensee must make this information available to the Ministry on its written request within 10 (ten) Working Days of receiving the request.

End



Appendix B

Response to Complaint Regarding Local Commercial Requirements

Bruce Donaldson
Crown Spectrum Asset Manager
Energy & Communications Branch
Ministry of Economic Development

Dear Bruce,

Please find attached our response to the complaint you forwarded through on 2 June 2010 relating to our use of the Local Commercial Broadcast Licence.

You will note that as of July 1 we have added a local news break to our hourly news during breakfast & drive (at 6am, 7am, 8am, 9am, 5pm and 6pm weekdays), which is the only area we felt that the complaint had any validity.

The issues the complainant raises generally relate back to how different organisations interpret the requirements and guidelines set out in the licence.

Without a formal structure provided by the Ministry, these requirements and guidelines fall to the local operator to incorporate into their commercial format as they see fit. Obviously our views and the views of the complainant differ greatly, and we are happy to discuss this directly with them or with the Ministry.

In fact, I would suggest that perhaps discussion between the Ministry and each licence holder take place as to how the operator intends to honour the requirements so that these situations can be avoided in the future. Without a defined specification of how to include things like "stories", "history" and "local news" each operator is left having to decide what works best for them, and do this within a commercial model without falling into becoming public access radio which is not sustainable as a commercial entity.

Always happy to talk more about anything related to how we use our licence.

Kind regards,
Andy Poulsen
Station Manager
PULZAR FM



Bruce Donaldson
Crown Spectrum Asset Manager
Energy & Communications Branch
Ministry of Economic Development
P.O. Box 1473
Wellington 6160
21 Jun. 10

Re: Pulzar FM – Compliance with regulations to operate local FM Commercial License

Dear Bruce,

Thank you for raising your concerns regarding the complaint you have received about our use of our Local Commercial FM License for 105.7fm in Canterbury.

We have reviewed the complaint thoroughly, and have come to the conclusion that most of the concerns raised relate back to interpretation of the requirement for providing Locally Generated Programming.

At no point has there been a document detailing what the Crown considers appropriate programming regarding these requirements. Our interpretation of the content that was required to be included was that we needed to discuss local news, information, stories and history within our commercial format, which we do on a regular basis. In any given morning our breakfast team discuss many local issues and happenings, talk about everything that's happening in the local news and generally put a fun satirical spin on it. This includes discussion of community issues and we have both Brendan Burns and Nicky Wagner, our local MP's from the two major political parties, visit in studio once a week each to talk through what's happening in the house and their world in politics. Until now we haven't formalised a regular "local news" break, something that we have been discussing for some time and have now decided to implement. So from July 1st every hourly newsbreak on Pulzar FM includes a minute of local news content (our news breaks are at 6am, 7am, 8am, 9am, 5pm & 6pm).

Our content across the day includes a lot of local material and information; we also partner with local charity organisations to promote their endeavours, and regularly discuss events of interest to our audience throughout Canterbury. We recently ran a campaign with the White Elephant Trust, a well respected youth trust that assists with communication between young people and other community leaders, and in the last few months have partnered with the NZ Fire Service, Ronald McDonald House, the Christchurch City Mission, Family Planning and the Christian World Service to bring community and social issues and concerns to the minds of our listeners.

If you consider the log that accompanied the complaint, during the breakfast show that was sampled the things being discussed included the Christchurch to Akaroa Cycle Race, Rubbish Bins being removed from CCC Parks, the upcoming Mayoral campaigns, an ECan Petition, Jim Anderton running for Mayor, Hayley Westenra's (local opera superstar) new French Boyfriend and Bullying in Burnside High School and other schools in Christchurch.

The claim the complaint makes that there is no serious discussion of community issues or of political process is purely interpretative, as we are a local commercial station, not a talkback or public access station. Our format was clearly designed around entertainment and to provide an information and entertainment hub to our audience. This was openly declared in our application to bid for the frequency. We raise and discuss many local issues and items of interest, and as an entertainment format often involve satirical comments about these things to hold the attention of our audience and get people thinking about the news of the day in a different way. Locally both NewsTalk ZB and Radio Live provide commercial talkback radio formats for in-depth discussion, and Plains FM does an excellent job as a public access station.



It is our understanding that the local commercial licenses were to encourage entrepreneurs in each geographic area to create a commercial format that appeals to an identified audience that is currently not well represented. Pulzar FM has been fulfilling this role for 11 years in Christchurch since launching on low power FM back on October 18th, 1999. We have become the hub for the youth orientated dance scene, and represent that subculture with pride. We feature many local DJ's, both new and established, who present regular mixsets and specialist shows during the evenings and weekends and our T1 2010 survey results reflect that this is the time of day we achieve our highest audience figures.

We are also proud supporters of Canterbury artists, and have taken great pride in debuting and supporting the promotion of new music by local musicians like Switch Sanchez Nacoa, Gomorrah, Minuit, Dr Cyrus, Green Like Go, Pikatunes, Stu Knight, Nate, Truth, Dubkrimes, Salmonella Dub and many other fantastic groups and individuals.

We take our commitment to our local community requirements seriously, as already mentioned we invite local politicians into the studio on a weekly basis to discuss the issues of the day, we touch base with community organisations, and we're getting behind local sport as proud supporters of Canterbury Rugby and profile the main local rugby fixtures every Saturday morning.

The fact that the complaint claims our format is already represented in Canterbury is completely unfounded, as RDU (the Canterbury University station) plays mostly alternative rock and underground electronica in an irregular format, and George are only represented in Christchurch on low power, so have no genuine presence in the Canterbury market (as clearly demonstrated in T1 2010 where they only achieved a .1% audience share). Pulzar FM is clearly fulfilling a need and reaching an audience in Canterbury as within a year of debuting on 105.7fm, we have already grown our audience to 2.4%. While this is nothing compared to the survey figures being achieved by the large, overseas owned broadcast networks MediaWorks and The Radio Network, we are proud of this result and believe this proves we definitely have a place to play in the local radio market. The new local commercial licenses are for radio operators running commercial formats, to be dedicating long periods of time to serious discussion would not be appropriate to retain our youth audience who, while wanting to stay up to date with what's happening in the world, are more interested in great uplifting and encouraging music to live their lives too.

If the Ministry feels that our use of the format is in breach of the requirements set down for the Local Commercial Broadcast License, could you please clearly define exactly what is expected in the way of the minimum content required, as we feel we have already demonstrated a strong local format that informs, entertains and connects our growing local youth audience. We have most of the hours we have broadcast since going to air on April 18th, 2009 stored and archived, so if you'd like we could always send up an external USB drive for you to sample our format and get a better idea of what we're all about, rather than just judging us based off several hours of log file supplied by a third party.

It does read as if the complainant has something of a case of "sour grapes" that we have successfully got Pulzar FM broadcasting across most of Canterbury, and have found a dedicated and growing audience in the region who support what four Cantabrians are trying to achieve in going up against well established nationalised brands. In May we received word that Big FM of Auckland had failed as a commercial venture, which clearly demonstrates how hard it is to survive as a broadcaster in the current economy, competing with company's that have been in business for many years with large established audience figures. We found it interesting that when we recently applied for some cashflow financing the director of the financing company had heard "through the grapevine" that our license was in jeopardy because of this complaint. It would seem that the complainant is spreading rumours about our operation to try and do us commercial harm.

Here at Pulzar FM, we take our responsibility to our local content guidelines and requirements seriously, and are happy to work with the Ministry to clearly define what is expected and provide that to the best of our ability inside our commercial radio format.



We are also happy to meet directly with the complainant face to face to discuss the issues they have raised.

I look forward to your response.

Kind regards,

Andy Poulsen
Station Manager/Founder
PULZAR FM