

MINUTES OF 22nd ANNUAL GENERAL MEETING OF THE FINE MUSIC RADIO ASSOCIATION

Held at Artscape, Cape Town on Saturday, 6 October 2018

AGENDA:

1. Welcome and Apologies – Mark Jennings
2. Approval of Minutes – Johann Vos (chairman)
3. Matters Arising – Johann Vos and Mark Jennings
4. Chairman's Report – Johann Vos
5. Presentation of Audited Financials – Brian Gardner
6. Appointment of Directors – Johann Vos
7. Open discussion

WELCOME AND APOLOGIES

Station manager Mark Jennings welcomed all present. He introduced the chairman of FMR's board of directors, Johann Vos.

Apologies from Victoria Cawood, Tanja Bosch and Leonore Ehlers were noted.

Mark Jennings (MJ) said: "It has been a tumultuous year, for both the country and the station and we have fluctuated between despair and hope. What we have at FMR is a constant joy and this community station must be preserved and nurtured at all costs." MJ gave heartfelt thanks to the board, the full-time staff and to the sales team who are working hard in a difficult environment.

He thanked the volunteers and said that: "They are a very special group of people who entertain and go into the homes and hearts of our listeners." MJ thanked the listeners and advertisers. Membership and donations contribute to 10% of running costs and MJ was clear that we need advertising revenue. Members were thanked for their contributions and MJ made special mention of Gradus Wendt for his generous donation. MJ introduced chairman Johann Vos (JV).

APPROVAL OF MINUTES

JV (chairman) asked for approval of minutes. Len van Zyl proposed acceptance. Rodney Trudgeon (RT) seconded.

MATTERS ARISING

There were no matters arising.

CHAIRMAN'S REPORT – JOHANN VOS

JV thanked everyone for attending the meeting. He explained that FMR used to be a Section 21 Company and now is a NPC. JV said: "We don't have a lifeline, we have to survive on our own and we need money. We need a target and budget is around R400 000 a month. Although we are an NPC we need money to pay salaries and replace equipment."

JV said that although we don't pay volunteers he wished we could. He acknowledged and expressed admiration for the volunteers.

JV stressed that income is through advertising and membership. He thanked Gradus Wendt and the members who pay more. JV thanked Debbie Hadley for the membership register and Desiree Slabber and Marne Joubert for looking after advertising.

JV said: "We are living in difficult times, finding new advertisers, looking for new opportunities and so trying to increase the attraction of FMR. This year we made the difficult decision to change the business programme to Classic Business with Michael Avery and the potential income is very attractive."

JV spoke about the outside broadcasts for the year which included: The Cape Town City Hall, The Baxter, Guga S'Thebe, St Andrew's, Hugo Lambrechts and Artscape. He emphasized how important it was to do this for the music community, however if there wasn't a sponsor this was a further expense.

JV also spoke about the money FMR raised for the alternative water system for Zama Dance School in Gugulethu as well as the R77 451 raised for the NGO, MusicWorks. JV thanked MJ for taking a group of patients from Stikland Psychiatric Hospital to the V&A Waterfront. JV concluded by thanking the staff for what they do for the station, he also thanked the volunteers and everyone else.

PRESENTATION OF AUDITED FINANCIALS – BRIAN GARDNER

Brian Gardner (BG) presented the financials. Refer to audited financial statements at <http://www.fmr.co.za/>

BG thanked all who have served us here, all our members and to all who made contributions. He opened the floor to questions.

- Someone asked if people receive less than market related salaries. MJ answered yes, that everyone who works here would earn more in the open market. JV said they deserve to earn more.
- Spot costs mentioned, MJ said the competitive market has been very tough: “We consistently give discounts of 25% to 45%. We don’t sell on numbers, but sell on a group of people with disposable income.”
- MJ spoke about testimonials from clients which we are going to turn into ads.
- A question was asked as to how FMR determines footprint. MJ replied that SARF (South African Research Foundation) was fired and replaced by BRC (Broadcast Research Council). A new set of research methodology meant that figures for commercial stations went up but community stations went down.
- Every three months diary comes out and FMR has between 34 000 and 42 000 listeners per week.
- The listen live button on the web page measures between 65 000 to 75 000 clicks per month.
- MJ said that we think we have between 60 000 to 70 000 listeners and only 1500 members. There is a big discrepancy between listenership and membership, we have three membership drives a year and are currently busy with a membership drive.

APPOINTMENT OF DIRECTORS – JOHANN VOS

- JV said that at the moment we have eight directors but we had resignations from Len van Zyl, Victoria Cawood and Tanya Bosch.
- Chris Nicklin was appointed in the year.

- In terms of the MOI conditions JV and Leonore Ehlers (LE) have to resign, and both JV and LE are available for re-election.
- There were three nominations and there are two vacancies:
Lynne Reid-Jacobs, who is an active community person was nominated by JV.
James Grace, South Africa's leading classical guitarist, was nominated by RT.
Lesley McKenzie, former FMR station manager and patron was nominated by Chris Payne.
- JV proposed no vote as we need all three of these people, so if all in agreement we should have all three of them on the board.
- There was applause and general consent.
- Directors: Johann Vos (chairman). Leonore Ehlers, Chris Nicklin, Brian Gardner, Françoise Smuts, John van Der Spuy, Lesley McKenzie, James Grace, Lynn Reid-Jacobs.

OPEN DISCUSSION

- Ruth Allsopp, has retired after 21 years as a community theatre critic on Cape Diary. MJ thanked her and presented a certificate of recognition.
- Someone asked about the reason for changing the business show. MJ explained that we need advertising revenue: "Lindsay paid us R24 000 a month for the show, and he sold the hour to advertisers. He was making considerably more, which was great but he was the recipient, not FMR. Classic Business made FMR an offer where we get revenue share." MJ explained we are still presenting good programming, but that revenue was vital. Full potential of Classic Business is in excess of R200 000 a month. MJ also emphasised the ratio which is only 8.3 % speech, FMR's focus is primarily music.
- A question was asked as to how we will evolve demographics of listeners and that it needs to evolve if classical music is to survive.
- MJ said that is a discussion that goes on almost on a daily basis, how to attract new listeners. There is a balance as the station has a duty and obligation to make sure that more senior citizens have a home in the station and we need to find new audiences. MJ said we are always looking for active

strategies to target the younger generation, this is why FMR does outside broadcasts. Nic Ciro and Saan Mahomed are pushing boundaries in the afternoons putting in new and nuanced music. However MJ was clear that we won't abandon classical music.

- MJ said that the most meaningful solution is to increase our sales capacity: "At the moment we only have one sales rep and we need to increase it to two to get more business." There was a general agreement.
- FMR was approached to acquire a loyalty app which they will look into in the new year.
- JV thanked everyone and the meeting ended.