

Who is watching?

| | ACCC submissions | ACMA Submissions |
|----|-------------------------------|--|
| | Public | Public |
| 1 | ABC | Australian Association of National Advertisers (AANA) |
| 2 | Carol O'Donnell | Australian Broadcasting Corporation (ABC) |
| 3 | Fairfax | ANC Group |
| 4 | Hutchison 3G Australia | Bush Vision |
| 5 | Nokia | Commercial Radio Australia |
| 6 | Optus | Community Broadcasting |
| 7 | ReelTime | Association Australia (CBAA) |
| 8 | Seven Network | Ericsson |
| 9 | SPAA | Fairfax Media |
| 10 | Telstra | Foxtel |
| 11 | Vodafone | Free TV Australia |
| 12 | Western Australian Government | Government of WA, Dept of Industry and Resources |
| | Confidential | n/a |
| 13 | Broadcast Australia | Hills Sound, Vision and Lighting |
| 14 | Crown Castle International | Hutchinson 3G Australia |
| 15 | Foxtel | JANDS Digital Television |
| 16 | Network Ten | Media Entertainment & Arts Alliance |
| 17 | Sylvester Caraway | National Indigenous TV Ltd |
| 18 | | Nokia |
| 19 | | Peter Weeks |
| 20 | | QUALCOMM |
| 21 | | ReelTime Media |
| 22 | | Screen Producers Association of Australia (SPAA) |
| 23 | | Seven Network |
| 24 | | Shane Moore |
| 25 | | SingTel Optus Pty Ltd |
| 26 | | Sylvester Caraway |
| 27 | | Telstra |
| 28 | | Vodafone |
| | | [Confidential submissions are not listed by ACMA) |

Summary Perspective

| | Channel A | Channel B – Domestic Use | Channel B – Non -Domestic Use |
|--|---|---|---|
| What is the opportunity? | <ul style="list-style-type: none"> • Open (free) narrowcasting • Datacasting • Community TV • 4-6 channels now, 8 -10 in 2+ years • No access regime • License fee payable based on total revenue | <ul style="list-style-type: none"> • Open or subscription narrowcasting • Community TV • No licence fee • Subject to an Access Regime (unknown) • Otherwise similar to Channel A | <ul style="list-style-type: none"> • Mobile TV to handhelds • Mobile TV to transportation, commercial usage • No license fee • Subject to an Access Regime (unknown) • Subscription or non -subscription basis possible |
| What are the implications? | <ul style="list-style-type: none"> • Could be like a “mini FreeView” (UK), an “FTA multi -channel” offering • FTA BC could participate as: <ul style="list-style-type: none"> ○ Shareholder (max 15%) in a vehicle to hold the licence ○ Content provider, <u>provided you can gain access</u> | <ul style="list-style-type: none"> • Total 10 -20 channels • Mix of free and pay channels • FTA BC limited to: <ul style="list-style-type: none"> ○ 15% ownership and/or ○ Content provider (via access regime) | <ul style="list-style-type: none"> • Could be “out of home” as well as “TV on your mobile phone” (depends on clarifying the definition of “Domestic Digital Television Receiver”) • Additional distribution channel for existing content • Potentially significant reception issues which may, if not managed well, impact FTA commercial broadcasts |
| Relative Opportunity Attractiveness | <p>OWNERSHIP - LOW:</p> <ul style="list-style-type: none"> • We cannot control this spectrum (max 15% holding) • Difficult to pull together a consortium • Uncertain business case • Greater downside risk than upside • Costs > revenue in early years (esp. after buying spectrum) <p>ACCESS SEEKER -??</p> | <p>OWNERSHIP - LOW – same as Channel A</p> <p>ACCESS SEEKER - ??</p> | <p>OWNERSHIP - LOW :</p> <ul style="list-style-type: none"> • Controlling the Mobile TV licence may be attractive... • ...but there is an obligation to build a service within 18 months • Initial financial outlay is likely to be high • Business model is unproven • Not a “core competence” • Technical limitations, especially in Sydney and Brisbane (major population centres) • No guarantees regarding future spectrum <p>ACCESS SEEKER -??</p> |

Key Points

- “Level playing field”
 - Access rights
 - “Service” vs “Channel”
 - No one entity should control A & B
 - A & B should not interfere with existing broadcasters
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