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Reg. No. CK 85/02805/23

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The Technical Committee on

The Independent Media Commission and

The Independent Telecommunications Authority  
Multi-Party Negotiation Process

WORLD TRADE CENTRE

Dear Sirs

Having read the Independent Broadcasting Authority Bill  
(Working Draft 4) I make the following submission for  
consideration by the Technical Committee prior to the Bill  
being submitted to Parliament.

Chapter 3 Section 6 (c)

This should be amended to include Political Organisations  
and Movements â\200\224 as it presently reads an ANC, AWB or AVF  
office bearer could seek appointment to the IBA.

Chapter 3 Section 8 (c)

This section and others, indicate that the IBA will be  
controlled by the Government of the day, if this is the  
case, then IBA is a misnomer. The IBA must be seen to be  
independent of any government interference or involvement,  
as is the case with the FCC in the USA. Perhaps it would  
be clearer if appointed IBA members, who did not perform  
as expected, or were suspected of taking bribes, etc,  
appeared before a Senate type hearing, or commission of  
enquiry. Any reference to A Minister or other form of  
governmental control, will negate the independent function  
of the IBA and I would strongly recommend that the  
Technical Committee rethink this aspect.

The report makes common reference to the use of the  
"Gazette" as itâ\200\231's communications vehicle, again this  
implies that the IBA is a government body. The IBA should  
use itâ\200\231's own publication as well as the mass circulation  
media - very few people in SA have access to the  
Government Gazette.

The report seems to favour SENTECH as the distributor of  
signals, as the report recommends that a broadcaster who  
wishes to transmit his own signal, via his own transmitter  
would require two separate licences.

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## Chapter 7 Section 41.7

This I find very ambiguous. If a licence is granted for 5 years and it costs in the region of RS Million per annum to operate a 1Kw FM Stereo Local Private Radio Station, does this mean that I must find guarantees for R25 Million before I can get a licence?

It is rather like saying to a motor dealer, who applies for a licence to operate on the High Street, that he must guarantee that he will sell enough motor cars, during the next five years to stay in business, and guarantee that up front. What about economic conditions, unemployment, inflation and other aspects which will effect his potential sales.

This is unrealistic, as the only people who will be able to supply such guarantees, are monopolies who will start radio stations or TV stations as a way to avoid Tax and transfer assets and funding into them as legitimate expenses.

This clause is detrimental to the small entrepreneur and will certainly do little to "Level the broadcasting playing fields" in fact it will ensure that broadcasting, as with the print media, remains in control of the Big 5.

## Chapter 41 Section 9

How long is a piece of string? If an applicant wishes to commence broadcasting ASAP, it will take a minimum period of 3 - 6 months to build the studios and recruit and train staff. Should this not be rephrased to read, "Shall commence broadcasting on a mutually agreed dateâ\200\235

## Chapter 41 Section 13

Does the Committee have no recommendation at this stage as to the amounts payable, surely a scale can be applied, so that prospective broadcasters know what they are in for. This can be determined according to frequency allocation, in the case of radio, ie: FM or AM and the power output and footprint of the signal. With TV it can be determined according to whether the station broadcasts an encrypted signal or not and itâ\200\231's footprint.

## Chapter 43 Section 2 (a)

Based on historical values and the fact that the public have never been consulted by the SABC when launching or

changing any radio service (remember Springbok Radio) how is this to be determined and what criteria are to be used.

## Chapter 43 Section 2 (b)

The same question applies here as with (a) How is it to be determined, whether or not the existing State Services

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fulfill the needs of the communities within an area, and does this mean that an ineffectual State Service will be given first consideration and be permitted to stay on the air, at the expense of Tax Payers.

#### Chapter 43 Section 2 (h)

I have been disadvantaged for as long as I can remember, my applications for a broadcast licence have been refused since 1986, because I was not the SABC, so all potential broadcasters who were not the SABC or M-NET have been historically disadvantaged.

Or is the Technical Committee suggesting a sort of Quota System, and that any small entrepreneur must go out and look for a business partner who is considered to have been historically disadvantaged and if that is the case, then I have a problem related to (d) as very few disadvantaged people of any race, colour or creed have had access to Expertise and Experience in Broadcasting, due to SABC control.

Although I have no problem what so ever, with the appointment, on merit, of any person to my Station's Board, in due course, I would consider it an unfair business practice to prescribe who should be appointed to the board of a private company. With regard to a public or community based service I would have no objection.

#### Chapter 46

Does not specify the number of combinations of stations which one may own. It states that one may not own more than two FM stations in section 2 and two AM stations in section 4 but makes no mention of owning 1 AM station and 2 FM stations.

The report also omits any control over Direct Satellite Broadcasting, for example a station based in Johannesburg, could relay some or all of its programmes via satellite to Cape Town and Durban and retransmit them in those areas over other local radio stations - as in the USA, where Larry King's Radio Show is syndicated on over 800 stations across the USA - this would be very detrimental to the development of new local independent stations, as an established broadcaster could use established names and programmes to gain listenership in other areas, at the expense of, and development of new talent locally.

#### Chapter 30

This is a very contentious chapter as it seeks to limit the format a station may adopt and is contrary to free market principles.

What the committee is doing, is guaranteeing that inferior material will be given air time, regardless of its worth.

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If a Radio Station decides to adopt a Format which is designed to appeal to an Adult Audience. It plays Adult Contemporary Music and provides Infotainment of an Adult Nature. Is it now going to be forced to switch it's listeners off by playing music which does not fit the format?

Music should be played on merit only and should be the choice of the station whether or not it plays it. The station's ratings will indicate whether or not it has made the right move.

If I chose a "Country Music Format" for my station and the IBA decided that I had to play 30% local music, perhaps the IBA would be able to tell me where I would find it, or would I be expected to play other local music to make up a the quota?

This is the wrong way to go, and will do nothing to develop the industry in SA. An industry should develop out of a will to do so, not because someone thinks that it has a right to do so.

This type of prescriptive measure should only be applied to Public Broadcasters and the SABC.

How will the Local Content Law apply to my proposed Television Station, which is a Music Video and Sport Channel?

## Chapter 61

If political parties are prohibited from using Television as a vehicle for advertising and education on its policies, how are the electorate to determine the merits of a political party.

I believe that such a preclusion is detrimental to the electorate of SA bearing in mind that Television reaches a vast audience daily.

## CONCLUSION :

I find that the IBA Bill, is prejudicial to any aspirant broadcaster, as it sets unfair limitations on their freedom to operate and perpetuates the unfair advantage that the SABC has enjoyed.

SABC stations that currently broadcast, will not have to apply for licences, nor will they be subject to any of the parameters as laid out in this report.

If the committee really wants to level the playing fields in broadcasting, it will recommend that all current SABC stations apply for licences, and produce the same guarantee and be subject to the same format controls as any other station. Thereby easing the Tax Payer's burden.

Yours sincerely

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