

The Committee Secretary
House Communications Committee
Parliament House
Canberra ACT 2600

17th November 2000

Radio Industry Inquiry

The ACE Radio Network, currently the licensee of nine radio licences in Victoria, in the first instance wishes to endorse the submissions of the Federation of Australian Radio Broadcasters and the Australian Association of Independent Regional Radio Broadcasters.

We have had access and input into both, prior to their final submission.

We wish however to make some general comments, perhaps more related to good business sense, than reiterate what has been most comprehensively covered already. A fundamental philosophy that determines how our Network manages its on-air products is that they must appeal to the maximum number of listeners for as long as possible.

Simple.

The source, construction, editing and overall make up of our on-air product varies from market to market in accordance with this philosophy.

Furthermore, we outlay during an audience survey, more with ACNielsen, in a year, than most, if not any single metropolitan station in Australia.

We do this to determine the appeal of our entire product, its strengths and weaknesses, with the primary intention of improving it and to demonstrate to our advertisers the popularity and effectiveness of our product.

This voluntary undertaking by us clearly demonstrates our commitment to not only remain local and relevant, furthermore as a result of the data provided, allows us to attempt to increase our substantial share of the potential audience.

Why would we want to measure, monitor and improve the number of people in the local communities who listen to us and increase the time they spend listening?

Once again the answer is simple.

We have one fundamental form of revenue, coming from two sources; direct advertising from the local markets and the other, national advertising, basically from the multi-nationals.

Over two thirds comes from our direct markets, that is people who listen to us and determine that because of our appeal to their consumers, it is an excellent place to promote their products.

I would respectfully suggest that if they held the general view that we were not providing a relevant and local service in the overall makeup of our broadcast services, they would simply choose to re-allocate their finite budgets to the multitude of other advertising mediums available to them.

The multi-nationals, through the medium of advertising agencies, those that cannot hear us, choose to allocate their clients money with us primarily based on the known size and share of the audience we appeal to.

We continue to receive an increase each year from these two sources of revenue and in my view this is a critical factor in determining the appeal and relevance of our broadcast services.

I would suggest the primary principals outlined above would be of the utmost importance to every commercial radio operation, certainly in the Australian regional markets.

On a more specific basis and in referring to several of the key points outlined in the "Terms of Reference" I can outline how this Network conducts itself.

In terms of local news (including a "national news service" provided specifically for a Victorian audience) we have achieved the highest frequency of news services in our history.

Locally prepared news input for the specific communities is broadcast from very early in the morning on the hour and is regularly updated and broadcast throughout the working day.

The national news referred to earlier is broadcast on the hour, every hour, twenty-four hours a day, seven days a week.

Local sports results are a key element of our on-air activity for the commercial reasons outlined above.

Community service announcements are an integral part of our on-air activity. The fundamental reason being that we not only see them as of interest to our local communities, it is also an important part of our business activity to be the most significantly minded and pro-active media corporate citizen in our communities.

In response to assertions regarding the capacity of some radio stations ability to broadcast emergency information when required, I can only say that this Network has and will retain forever, the infrastructure and capacity to have any emergency announcement on air literally within minutes, twenty four hours a day, every day of the year.

The contacts and procedures required (telephone numbers, pagers etc.) are regularly updated throughout our Network and made available to the Police, emergency services and similar organisations.

In closing, I would like to reiterate the fact that it remains in the commercial interest and therefore, ultimately, the commercial survival of all regional radio stations, to remain relevant to their communities whilst providing a quality service with broad appeal to the communities they serve.

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