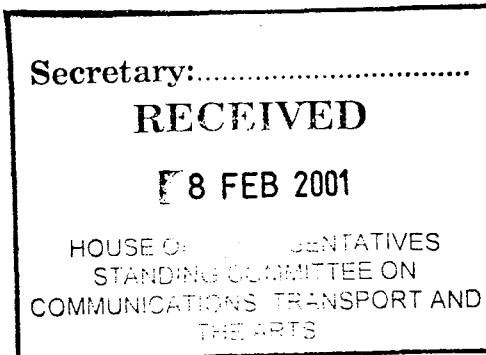


6 February 2000

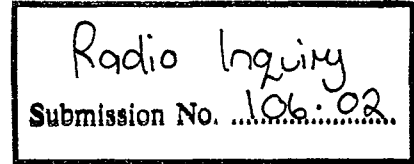


dmg
Radio
Australia

Pulteney Court
Adelaide SA 5000

Tel : 61 8 8418 5101
Fax: 61 8 8418 5197

The Hon. Paul Neville MP
Chairman
Standing Committee on Communications,
Transport and the Arts
C/- Ms Janette Holmes
Secretariat
Department of Communications,
Information Technology and the Arts
Fax: (02) 6277 2067
E-mail: CTA.Reps@aph.gov.au



Dear Mr Neville

I refer to the public hearing on 2 February 2001.

In the course of that hearing your committee asked us to supply you with some further information. We are delighted to do so.

Peter Johnston Letters

Attached as schedule 1 is a list of those parliamentarians who have told us (either themselves or through their offices) that they received the letter written under the name of "Peter Johnston".

We expect of course that the letter was sent also to other parliamentarians in electorates covered by our licence areas.

Also attached is a copy of the letter.

Vested Interests

Attached as schedule 2 is a list of those submitters who have made direct criticisms in their submissions against DMG. The list then identifies which of those submitters fall into categories which we have described as "vested interests":

- existing radio competitors;
- aspirant radio competitors;
- former employees of our stations;
- former employees of the radio industry;
- former presenters or regular guests on our stations;
- organisations controlled or influenced by any of the above.

We refer to these categories as “vested interests” because those who fall within these categories could be expected to criticise DMG.

They are not members of “rank and file” audiences.

Some of them compete with us now; some of them would like to compete with us in the future if they can obtain a licence; some of them were employed by our radio stations in the past but no longer; some of them have worked in the radio industry in the past and wish that we were structured in a way which would create job opportunities for them; some of them have worked in the radio industry in the past and lament the fact that things may not be done today the same way as in their day; some of them were given air time by our radio stations in the past but no longer; and some of them are organisations which are controlled or influenced by any of the above.

Please let me know if you would like us to describe in more detail how some of the submitters have been categorised as “vested interests”. We can explain all of the necessary connections if required.

Our purpose in this regard is to encourage your committee to distinguish between:

- criticisms made against us by those who could be expected to make those criticisms for their own commercial or personal reasons; and
- criticisms made against us by “rank and file” audiences who could not be expected to make those criticisms unless they hold the genuine view that such criticisms are justified.

In our submissions we also point out that there is an even smaller group which has gone out of its way to embark upon a sustained and sophisticated campaign against DMG. They include Austereo and Riverina Radio Group.

We do not suggest that others who fall into the “vested interests” categories have conducted themselves in a manner similar to Austereo and Riverina Radio Group. But we do suggest that they still represent “vested interests”.

Hub Description

Attached as schedule 3 is a short technical description of our hub technology as it applies in Albury and Townsville. This description was also attached to our first submission. We are proud to have received an industry award for technical and engineering excellence in that regard. More details are included in our first submission.

News Stories and Philosophy

Attached as schedule 4 are the transcripts of all news stories put to air by our radio stations in connection with the Inquiry. You will see that they are all factual in nature and do not address the merits of the submissions made by any party (including ourselves).

Attached as schedule 5 is the news style guide which we encourage our news editors to adopt. I should point out, however, that our news editors are not *required* to follow any particular philosophy and do not take direction from management on what stories to broadcast or what content to include in those stories. They act with absolute independence.

I must draw to your attention one further point in relation to a specific question which you asked me on Friday. That question concerned a media interview with The Hon. Peter Andren MP. My answer to that question was honest and in accordance with the advice of our senior management. I have since found out, however, that part of my answer was wrong. I therefore misled your committee in respect of that part of my answer. Please accept my sincere apology.

I will now explain the detail of this matter below.

You asked me whether our management pulled the interview from our news service in Orange. I said that our management did not pull the interview and that such decisions are made by our news editors. I then confirmed that the interview was not broadcast because the relevant news editor was of the view, first, that we should continue to be consistent with our reports in connection with the Inquiry (ie only factual in nature), secondly, that it would be inappropriate to broadcast that interview without also obtaining and broadcasting an alternative view (which in the circumstances was not appropriate) and, thirdly, that in matters where we have or could be perceived to have a vested interest, we always err on the side of caution. All of these explanations continue to be honest and accurate. The relevant news editor would do the same again.

I did also say, however, that our Southern Group General Manager, Garry Leddin, had no knowledge of the interview with Mr Andren, before the decision was made by the relevant news editor not to broadcast that interview in Orange. My statement was consistent with the briefing given to me by our senior management late on Thursday. I was told yesterday, however, that Mr Leddin was in fact acquainted with the existence of the interview on Wednesday. I have since confirmed that with Mr Leddin. Regrettably he has told me that he misinterpreted the question put by you to me on Friday. He thought the question was only about whether he pulled the interview and not about whether he had any knowledge of the existence of the interview.

Mr Leddin has confirmed to me that the relevant news editor mentioned to him that an interview with Mr Andren had been recorded and that it went to the merits of the matters before the Inquiry. It is also fair to say that the news editor told Mr Leddin that the interview was critical of DMG. Mr Leddin at the time was on his way to a conference and his conversation with the news editor was "on the run" and took only a short moment. Mr Leddin did not make or convey any decision to the news editor in relation to whether the interview should be broadcast in Orange. Mr Leddin would not in any event ever make or convey such a decision. From time to time he will discuss such matters with news editors but, at the end of the day, the decision is not his. Mr Leddin has told me that he said to the news editor words to the effect of "you deal with it". Mr Leddin has told me that these words (and the context in which they were spoken) did not constitute or convey a decision not to broadcast the interview. Rather, those words were intended to constitute his impression that the matter ... whether to run the interview and, if so, how to run the interview ... was for the relevant news editor to sort out and was not a matter on which he desired further consultation.

I hope this clarifies that matter for you.

Legislative Structure

I note that you have asked other submitters in public hearings whether they would support a return to the legislative structure which existed before 1992. In particular, whether they would support hearings into the adequacy of a radio station before renewing the licence for that station.

I would like to state on the record that we would object in the strongest possible terms to the reintroduction of that process.

There may have been some arguments in support of that process before 1992. That is for two reasons. First, licences were issued virtually free of charge and licensees therefore did not pay significant amounts to governments to obtain those licences. Secondly, licences were not categorised as they are today and, in particular, each licensee was required to provide a complete service. Hearings into whether a licensee complied with that requirement, in respect of a public asset which was entrusted to the licensee without charge, might therefore have been appropriate or at least defensible.

To do so today, however, would be unfair and prejudicial.

1992 saw three relevant developments and not just one. All three developments must be considered together. The first development was the abolition of hearings into the adequacy of a radio station before renewing the licence for that station. The second development was the decision to issue more licences (with the consequence that each licensee was required only to contribute to an adequate and comprehensive service and was not required to provide a complete service). This was coupled with the categorisation of licences (other than public licences) into commercial, community and narrowcast. All licences taken together were expected to provide a complete service (but no licence was required itself to provide such service). The third development was the introduction of a price based allocation system for the new licences to be issued (with the consequence that licensees were required to bid for new commercial licences at a competitive auction).

These developments were all part of one package. It would be unacceptable and unprecedented to wind back just one part of the package. Licensees have paid very high prices for new licences in markets which are now more crowded and therefore more competitive than before. Licensees in the past did not pay for their licences and operated in markets which were less crowded. What might have been suitable regulation for them would now be inappropriate regulation for the new era.

In short, licensees who have paid very significant amounts to obtain new licences, in accordance with the third development above, have done so on the express understanding, encouraged by government, that they have paid for a permanent or long term asset and not just a short term asset which will only be renewed after hearings into the adequacy of the relevant station.

These licensees paid significant amounts for their licences on the basis that they would be required to *contribute* to an adequate and comprehensive service (but not on the basis that they would be required to provide a complete service). With even more significance, they paid those amounts on the basis that the market, not regulators, would determine if they contributed to an adequate and comprehensive service. Audiences would not listen if they did not contribute to such a service. That would impact on their financial performance and therefore on the return derived on their investment. That commercial pressure would ensure that they continue to provide audiences with what they want and, in the long term, licensees who did not do that would be forced to sell or go out of business.

Those who were active in the radio industry before 1992 ... and there are not many of us left ... remember the enormous time, costs and inconvenience which were devoted to renewal hearings. To require that again would be crippling to any group which owns many licences. Certainly we own more licences at the moment than any other group. However, we submit that it would be just as crippling for any of the other major regional networks.

In any event, however, these are problems of process and execution. But there are also problems which go to the very heart of our legal system. They go to the heart of the principles which govern the ownership of assets. To reintroduce renewal hearings is to expose to a real and meaningful risk the ownership of an asset which was not hitherto exposed to that risk (and which was acquired from government and with government encouragement at a time when that risk not only did not exist but, even more relevantly, had up to that time existed but was then abolished).

To reintroduce renewal hearings would be to change the fundamental rules after the licensees' money has been taken. We submit that such action would be unprecedented and without any moral foundation.

It is not an adequate answer to say that licensees have nothing to fear through a return to renewal hearings if they ensure that their stations provide a complete service or at least contribute to an adequate and comprehensive service.

Much greater than the problems of process and execution described above, history demonstrates that regulators who do not participate in the industry are not qualified to decide whether stations provide a complete service or contribute to an adequate and comprehensive service. Only the market can do that. In other words, only audiences can do that. And they do it with their feet. To expose the investments constituted by these very significant amounts to a new system which enables regulators to render those investments worthless, is just not appropriate.

It is also not enough that the decisions of the regulators could be challenged through the courts. First, these are questions of fact and, almost every time, legislation prohibits questions of fact being appealed from regulators to courts. Secondly, in the absence of such prohibition, courts are still extremely reluctant to interfere with questions of fact determined by regulators.

The risks inherent in a return to renewal hearings are far too great and, for the reasons identified above, it would also be unfair and prejudicial to impose them. Most of all, a return to renewal hearings would constrain the ability of licensees to make necessary investments and, in the long term, that would impact adversely on the quality of programs and therefore on the quality of the overall service provide to audiences. The damage wrought by renewal hearings would therefore be felt not only by licensees but, in the end, by audiences.

1992 also saw the introduction of community licences as a separate category. It is those licences which continue to be issued free of charge and in order to provide a specific community service and, as a result, it may be appropriate for renewal hearings to be conducted to ensure that they continue to provide the community service for which they were issued. But commercial licences are not issued in order to provide a specific community service. Rather, they are issued in order to contribute to an adequate and comprehensive service, as determined by the market.

It is also important to point out that with increased competition it is important for licensees to focus on the quality of their programs and to undertake significant investments which will enable them to deliver that quality over a long term. In the old days, when there was less competition and audience demands were less sophisticated (because technology was not so advanced), investments of such magnitude were often not necessary. But these days that is just not so. And we refer not only to technology and infrastructure investments. Most networks these days also undertake significant investments in areas such as production, program purchasing, training, intellectual property development and so on.

For example, our own investment decisions are made on the basis of a return being derived over many years. The tens of millions of dollars we have invested in technology and infrastructure,

and the many other items we have identified before, will not yield an adequate return for some time. For commercial reasons we would prefer not to disclose how many years that is. But it is much more than five. We could not have made that investment if the renewal of our licences was at risk after five years. The same applies to many other investments made by us and we expect also by other licensees.

I would be delighted to comment further on this when you ask me to next appear before your committee.

Other Criticisms

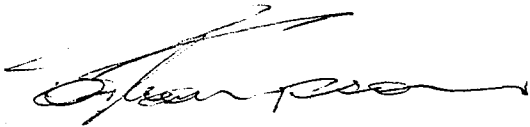
You noted that a number of criticisms had been made of us through various submissions. You asked whether we would like to respond to them. I thank you for that opportunity.

In the circumstances, however, we do not think it is appropriate or necessary to respond to each and every criticism. Many of the criticisms are made by "vested interests" as identified above. We believe that a large number of those criticisms are unfounded and those "vested interests" would be delighted if we now go to great trouble and expense to deal with them.

However, we will give you just one example. Mr Bill Titley in his submission and subsequent presentation made various criticisms of us in connection with our commitment to the community in Charters Towers. We reject his criticisms out of hand. Attached as schedule 6 are copies of numerous letters from community and other groups which demonstrate the very high regard in which we are held in Charters Towers. Mr Titley in the past was given airtime to present his views on our station in Charters Towers. We no longer give him that airtime (because that program was not popular with our audiences). Mr Titley is one of those "vested interests". We could answer virtually all of the other criticisms in the same or a similar way.

I would therefore prefer to take the following approach. I note that you will ask me to appear again before your committee. I look forward to that. I will answer whatever questions you raise. I am also happy to appear any number of further times before your committee. If at the conclusion of your deliberations there are still any material criticisms which concern you and which you do not think we have answered to your satisfaction, we would urge you to identify them and, at that stage, we will provide a formal response. I hope this approach is acceptable.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Paul Thompson", written in a cursive style.

Paul Thompson
Chief Executive

SCHEDULE 1

DETAILS OF THOSE PARLIAMENTARIANS DMG KNOWS RECEIVED LETTERS FROM "PETER JOHNSTON"

MEMBER'S NAME	STATE/FEDERAL
Rob Mitchell	State
Tony McGrady	State
Liz Cunningham	State
Sean Nelson	State
Peter Lindsay	Federal
Adrian Piccoli	State
Tony McGrane	State
Robert Oakeshott	State
Bob McMullan	Federal
Jacinta Allan	State
Barry Bishop	State
Ronald Best	State
Russell Savage	State
Ian Glachan	State

Note that State electoral boundaries tend to approximate commercial radio licence areas more closely than Federal electoral boundaries.

(B)

207 Darling Road
EAST MALVERN VIC 3145

31 July 2000

Mr Ian Glachan MP
526 Swift Street
ALBURY NSW 2640

Dear Mr Glachan,

I am a person with a tremendous interest in the role of the media in rural communities. As a result I am concerned with recent developments within the English owned Daily Mail Group (DMG) as represented by their stations in New South Wales. They are:

- Albury - 2AAY FM (BIOY-9)
- 2AY
- Coffs Harbour - 2CS
- 2CSF FM
- Orange - 2G2 FM (FM 105.9)
- 2OAG
- Young - 2LF
- 2LFF FM (FM 93.9)
- Port Macquarie/
Kempsey - 2MC
- 2ROX FM
- Griffith - 2RG
- 2RGF FM (FM 99.7)
- Wagga Wagga
- 2WG
- 2W2D FM (FM 99.5)

The stations are among the 55 in Australian rural areas owned by the DMG Group.

The introduction of networking and automation is reducing the local content of these stations and their vital role of disseminating information throughout the local community.

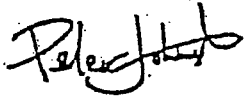
As pointed out in the Australian newspaper recently by columnist Mark Day, many of these stations are no longer in a position to run emergency service announcements at night. There are other problems also developing.

With the group recently paying \$155 million for a new licence in Sydney this reduction of services is sure to continue, especially as they will be bidding \$100 million (approx) for the Melbourne licence later this year.

...G's Australian chief, Paul Thompson talks "economies of scale" in his interviews -
but at whose expense?

Could I urge you to contact your local station manager or Paul Thompson on
(08) 8224 0228 to have this situation redressed.

Yours sincerely



Peter Johnston

SCHEDULE 2
DMG Radio Australia
House Committee Inquiry into the Adequacy of Radio Services in Regional Australia

Submissions critical of DMG Radio Australia and the service provided by it

Table of vested interests

No.	Submission	Existing competitor	Aspirant competitor	Former employee of a DMG station	Former industry employee	Existing industry employee	Person or organisation DMG used to give airtime to and does not any more	Organisation or person controlled or influenced by any of the previous categories
48	Shire of Coolgardie							
61	Tom Baker (Toowoomba)							
66	Mr Richard Mutton (Dubbo)				✓	✓		
78	Peter Andren MP				✓			
80	Riverina Radio Pty Ltd		✓	✓	✓			
83	Mr Jim Booth (Wagga Wagga)			✓	✓			
85	Radio 4VL	✓						

No.	Submission	Existing competitor	Aspirant competitor	Former employee of a DMG station	Former industry employee	Existing industry employee	Person or organisation DMG used to give airtime to and does not any more	Organisation or person controlled or influenced by any of the previous categories
87	R Martin (Warners Bay, NSW)							
111	National Party of Australia							
130	Community Broadcasting Association of Australia	✓						
132	Mr Bill Titley (Charters Towers)						✓	
148	Port Macquarie Country Labor Branch			✓	✓			✓
155	Air - TV School of Radio and Media			✓		✓		✓
160	4KZ					✓		
178	Office of Information and Communications of the Department of Commerce and Trade, WA							
183	Sun FM	✓						
185	Austereo Pty Ltd	✓						
193	Hot FM	✓						

No.	Submission	Existing competitor	Aspirant competitor	Former employee of a DMG station	Former industry employee	Existing industry employee	Person or organisation DMG used to give airtime to and does not any more	Organisation or person controlled or influenced by any of the previous categories
194	1359 FM	✓						
198	Ms G Penrose (Bingara, NSW)							
205	Goldfields Esperance Development Commission							

Schedule 3 - Description of Hub Technology

DMG RADIO AUSTRALIA

PARLIAMENT OF AUSTRALIA

House Committee on Communications, Transport and the Arts

Radio Industry Inquiry

APPENDIX 8

Engineering Description of Hubs for Engineering Excellence Raward

ENGINEERING EXCELLENCE RAWARD

The system was designed by Steve Adler, Tim English and Shane Davis. The main equipment suppliers were Computer Concepts Corporation, Comsys and DSP Media.

DMG Engineering performed installation of all equipment with the exception of one private cabling contractor and Comsys for the satellite system.

The Hubs supplies two separate programs at any given time to 22 transmitters in Queensland and 21 transmitters in NSW, Victoria and South Australia.

Both Hubs deliver their programming and data via satellite. The satellite uplink system incorporates physical space diversity to negate the effects of rain attenuation and equipment failure. The main uplinks are at the Hub ends with fully redundant uplink systems at Charters Towers in the North and at Bendigo in the South. This system is fully automatic and requires no intervention whatsoever should rain attenuation or equipment failures occur.

Digital audio storage and presentation is achieved using Computer Concepts "Maestro" system. DMG and Computer Concepts jointly developed the "Forward and Store" mechanism which allows prerecorded material to be sent out to all receiving stations for synchronised replay at any given time. DMG and Computer Concepts also developed the "Events Server" which allows the triggering of unlimited events at the receiving sites.

The news room system utilises the Computer Concepts "Newsroom" operating system. This system allows for the "Forward and Store" of tailored news bulletins directly to the receiving sites for replay at news time.

These systems enable the immediate or lagged insertion of bulletins and other programs, as required. Items can be brought forward and broadcast immediately from the "Forward and Store" and items can also be inserted at any time whatsoever through the "Events Server". These systems enable the use of new technologies and automation, coupled at the same time with immediacy and changes to programming whenever required. Nothing needs anything more than the flick of a switch.

Production is accomplished utilising the DSP production system. DSP and DMG jointly designed the system to make all three production studios "networkable" to allow the interchange of production material. The production studios were ergonomically designed to allow producers to make commercials quickly and efficiently. The Hub production studio's produce between 800 and 1000 commercials and promos per week. All this material is transferred to each receiving site via the "Forward and Store" mechanism.

Traffic / Scheduling is based on the Computer Concepts VT traffic software. All traffic for Queensland is done from the Hub in Townsville. All traffic for NSW, Victoria and South Australia is done from the Hub in Albury. The VT system has been integrated into the "Forward and Store" mechanism. All logs are delivered to the receiving sites via this mechanism. Reconciliation is performed every two hours with the receiving stations making a short duration ISDN connection. This method is very cost effective because there is no need for a permanent Wide Area Network. These savings which result from there being no need for a permanent Wide Area Network are savings in technology costs and not in labour costs.

There are three "On Air" studio's, two "Voice Tracking" studios, three production studios, two news studios and one news prep in each Hub. The whole system revolves around a digital audio switch that was designed by Computer Concepts. The brand name for this switch is "Epicenter". There is no analog audio in the hubs except for microphones and loud speakers. All audio is handled in AES-EBU format. Any studio can select a source from anywhere in the Hub and play it. In the very near future, we will be connecting the Townsville Hub and the Albury Hub together so the any studio in any hub can select any audio source. ie: An on air studio in Townsville could select a production microphone in the Albury Hub etc. The system was designed to be very modular in its connectivity. We can produce programs anywhere and simultaneously broadcast them anywhere else through these systems. We can also produce and broadcast news bulletins in the same way instantaneously.

Power redundancy was paramount in our thinking. Each Hub has twin redundant uninterruptable power supplies that handle the entire load of the facility. There is an emergency power plant at each site with the ability to "plug in" an external emergency power plant should the need arise.

Out of the three "On Air" studios, one is always spare. There is the space diverse satellite system, which has been described earlier. The "Epicentre" switcher is set up into two individual systems. Each system can supply both programming streams should one system fail.

Each receiving site has a complete "Maestro" system installed. Should any part of the Hub system fail, the receiving stations can go into a live or automated local mode thus keeping the station on the air until repairs can be affected. By installing a complete "Maestro" System at each

receiving site also means that there are always two copies of the audio data at any one time. ie:
One at the Hub and one at the receiving site.

Schedule 4 - Transcript Of All News Stories

RUNDOWN: 2GZ

Date: 31/01/01 Time: 6:42:16

PAGE:
SLUG: RADIO INQUIRY Writer: CSEALEY Last: CSEALEY TAPE:

The focus of a federal inquiry into regional radio services will shift to Bathurst tomorrow looking at the amount of local content on the regions airwaves.

Member for calare peter Andren will address tomorrows hearing arguing there has been a clear decline in localism in commercial radio over the past ten years.

In particular the ability of local stations to respond to emergency services will be on the agenda.

Mr andren claims the broadcasting services act may need to be ammended to once again require statsions to provide adequate and comprehensive services.

HEARINGS "

REGIONAL RADIO SERVICES GO UNDER THE MICROSCOPE TODAY AT A
PARLIMENTARY INQUIRY MEETING IN TOWNSVILLE.

HEADED BY GOVERNMENT BACK BENCHER PAUL NEVILLE THE COMMITTEE WILL
CODUCT PUBLIC HEARINGS AT THE HOLIDAY INN .

MR NEVILLE CLAIMS A NUMBER OF CHANGES TO THE INDUSTRY HAS MEANT THE
LOSS OF LOCALISM IN RADIO.

MON. 29/1/2000

ATO 12 noon - ATO only

A federal parliamentary Inquiry into the adequacy of radio services in rural and regional Australia will be in TOWNSVILLE on Friday.

The committee is holding public hearings with witnesses who have made submissions to the inquiry.

It will also visit Melbourne, Tamworth, Bathurst and Longreach.

HOTFM.
Tam.

2) "7.00 LOCAL NEWS"

GOOD MORNING ALISTAIR KINGSTON WITH HOTMS LOCAL NEWS FIRST

AS THE ELECTION CAMPAIGN ROLLS ON TOWARDS FEBRAURY SEVENTEEN ..
HEALTH MINISTER WENDY EDMONDS CLAIMED MORE TOWNSVILLE PATIENTS
HAVE RECEIVED ELECTIVE SURGERY UNDER LABOR.

BUT THE OPPOSITION'S SLAMMED THE CLAIMS .. SAYING THE GOVERNMENT HAS
RORTED WAITING LIST FIGURES.

####

AND HOT FM WILL BE ONE OF THE STATION'S GIVING EVIDENCE TO THE FEDERAL
GOVERNMENT COMMUNICATIONS COMMITTEE WHEN IT MEETS IN TOWNSVILLE
LATER TODAY.

THE HEARINGS HAVE BEEN CALLED TO EXAMINE THE ADEQUACY OF REGIONAL
RADIO SERVICES .. AMID CLAIMS NETWORKING HAS LED TO A LOSS OF LOCALISM.

NOW HERE'S TAMRA MERCICA WITH HOT FM'S NATIONAL UPDATE

HOTFM
com.

F2) "9.00 LOCAL NEWS"

GOOD MORNING ALISTAIR KINGSTON WITH HOT-FM'S LOCAL NEWS FIRST

THE BREEDER OF MORE THAN EIGHTY DOGS RESCUED FROM A CAIRNS PROPERTY THEN BROUGHT TO TOWNSVILLE'S R-S-P-C-A REFUGE HAS BEEN ORDERED TO PAY MORE THAN FIFTEEN THOUSAND DOLLARS AFTER PLEADING GUILTY TO CRUELTY CHARGES.

WHEN THE DOGS ARRIVED AT THE BOHLE REFUGE THIRTY THREE NEEDED MEDICAL TREATMENT .. TWO HAD TO BE DESTROYED .. A CAIRNS MAGISTRATE DESCRIBING THEIR TREATMENT AS INTOLERABLE.

####

AND HOT FM WILL BE ONE OF THE STATION'S GIVING EVIDENCE TO THE FEDERAL GOVERNMENT COMMUNICATIONS COMMITTEE WHEN IT MEETS IN TOWNSVILLE LATER TODAY.

THE HEARINGS HAVE BEEN CALLED TO EXAMINE THE ADEQUACY OF REGIONAL RADIO SERVICES .. AMID CLAIMS NETWORKING HAS LED TO A LOSS OF LOCALISM.

NOW HERE'S TAMRA MERCICA WITH HOT FM'S NATIONAL UPDATE.

Schedule 5 - News Style Guide

+61882240774

ding

Radio
Australia

NEWS
STYLE
GUIDE

+61882240774

THE IMPRESSION WE CREATE

DMG Regional Radio takes pride in its performance - a performance that is judged by all customers of our radio stations, whether it be our listeners, the people we interview, the people we meet while out on-the-road reporting, advertising clients, our fellow members of staff, in fact every person we come into contact with. Always keep this front on mind and always aim to leave a brilliant impression.

+61882240774

RADIO NEWS

All generations under 60 live stressed, busy lifestyles, and have no time to waste. They want their daily information on the run, without losing the essence and without missing the day's major talking points.

Radio is in the privileged position of being able to provide a fast, but comprehensive update on the world...more importantly the listener's world.

As information sources continue to increase, it's vital that radio plays its strengths, the most substantial of which is its IMMEDIACY.

OUR WRITING PHILOSOPHY

Every news story **MUST** have impact, **MUST** be easy on the ear and should **ALWAYS** be fresh.

Our job is to do **ALL THE WORK** for the listeners. Unlike a newspaper they don't have the luxury of going back to check something, and nor do they want to. Radio news gives listeners easy access to a fast update on their world. If they have to stop and think about the point of a story, then we **HAVEN'T** done our job properly.

The following are important points to remember when constructing a news story:

- **Balance**
Always ask yourself, does the story provide a balanced view of the issue. If a story involves two opposing viewpoints you must seek and give fair representation to both. It is unacceptable to run one side of a story only, without having made all possible attempts to provide our listeners with the full picture.
- **Content Up Front**
Get to the heart of the story quickly. Time is of the essence. The opening paragraph should be **PUNCHY** and should give the crux of the story. This is where we win or lose listeners.
- **Paragraphs**
Keep the paragraphs **SHORT** – that way they are easier to read and more importantly easier for the listener to understand. There is absolutely no point in trying to jam too much information into one paragraph. Each paragraph should make one key point. As a rule of thumb, if you're

+61882240774

working on the "newsroom" computer system, try and restrict your paragraphs to two lines max.

- **The Language**

Keep it simple. Don't ever fall into the trap of using industry jargon, especially police terms .i.e. the offender decamped in an easterly direction, or fire appliances were deployed. It's not the language we use in everyday life and likewise it shouldn't be used on the news. Stories that are too formal are too difficult to understand

- **Story length**

Aim for three paragraphs as the average. This can be stretched to four if it's a BIG story, and can also be reduced to two

- **Actuality**

Actuality should enhance the story – it should not under any circumstances mirror what the newsreader has just read. The audio grab should always be of high sound quality – it should not be hard to hear or understand – if it's questionable DON'T use it. The length of a piece of actuality is also critical. Aim for 8-12 seconds. Anything 12-17 should be very good, and anything above 17 should not be used unless it's brilliant. Remember if it doesn't ADD to the story don't use it.

- **Voice reports**

Actuality from reporters should be kept to about 35 seconds max. Many of the "Network" voice reports tend to run longer and should be cut back, where possible. There is also no need to include the sign-off from the reporter - it is a time-waster and should edited out.

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Present Tense

Radio news stories must always be written in present tense. Words that date a story, such as "yesterday" should always be AVOIDED. Radio news is about what's happening NOW.

- **Active Words**

Look for the right single word to describe something, rather than a lengthy description. Use words that add color and help convey the meaning of the story quickly. However, be careful these don't become cliches.

- **Update and Re-write**

For each story, a straight copy version (i.e. no grab) and two versions carrying different actuality grabs should be completed. If audio is not available, then three different straight copy versions should be written, to allow for bulletin rotation.

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COMPILING BULLETINS

- **Lead Story**

It goes without saying, the first story in the bulletin should ALWAYS be the strongest and should have the most significance to the target audience. While 100 people dying in a train smash in Somalia may seem like a bigger story than local storm damage, it WONT be anywhere near as important to the lives of our listeners. Your lead story from one hour MUST always appear somewhere in the next hours bulletin, because if it was strong enough to lead with, listeners will be wanting to know of any developments.

- **Story Order**

Always make your editorial decisions with the station's target audience in mind. Compile your stories in order of significance to the listener.

- **Balance**

Where possible the bulletins should include a mix of need to know and want to know stories (i.e. straight news stories and lifestyle/entertainment style stories). Never fill a bulletin with too many stories of the one genre i.e. crime, environment etc. Also balance the use of straight copy, stories with grabs and voice reports. Don't use a string of straight copy scripts in a row, without adding some actuality to the mix.

- **Keep the News Fresh**

NO two consecutive bulletins should include the same version of a story or the same actuality. If there are not enough versions of a story already in the system, then re-write the script. Always be on the look-out for a new angle.

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Radio news is dynamic – listeners expect to hear the latest news – not the news from two hours ago.

- **Padding**

Under NO circumstances should stories be put into a bulletin to pad the news out. You must be able to justify the inclusion of each story that goes into a bulletin. The network that we have access to (“Newsmaker”) is a great bonus, when it’s not misused. Always ask yourself – is it of interest to the listener? Will it impact on their lives? If the answer is no, then leave it OUT. We are in the business of informing and entertaining, not filling time and space, just for the sake of it.

- **Links**

Always be on the lookout for stories that link and run them consecutively in a bulletin.

OUR AUDIENCE AND ITS INTERESTS

Star FM's primary audience

- STAR listeners are 18-39, with a slight female lean
- As would be expected in the age range, lifestyle and occupation are important.
- Our listeners include mixture of students and first time job holders (mainly white collar) as well as those with home duties involving young children.
- They use the radio as a way of keeping up with both the latest music and the latest news
- Breakfast fun is important to them as a motivator to start the day, while touching base with what's going on in the world.
- Many have the radio on in the background at work, right through the day, so news updates need to stay fresh each time to hold their interest
- Others have a busy, stressful lifestyle, revolving around the young family, so they don't have time to take depth in, but still want to stay in touch with short, sharp bites.

Heritage stations primary audience is

- Listeners aged between 35-54, with an even spread of men and women.
- Mainly family orientated, with either growing children/teens or those grown up and left the nest.
- Higher than average in management or professions, and quite a few white collars
- Home duties are significant
- They grew up with the station when it was on AM in the 60s and 70s and still enjoy the music from those times (even though their hair is now shorter), mixed in with the best music from the 90s.

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- The stations are a traditional source of essential information, as it was when they were young and their instinct is to use the station for vital information, particularly in the instance of major emergency events.

When news items are being considered and prepared, the interest of the listener must always be paramount. Use the above information as a filter on every story that you place in a bulletin.

Journalists should always ask themselves – **“Is the story of interest to the audience? Do they need to know this information? Do they want to know this information?”**

Research shows our listeners have quite clear and specific interests.

1. **Local News, National News, Major disasters, and Environmental News - (50%+ of listeners are very interested in stories that fall under these categories)**

- **Local News**

Local stories, or those that have a regional angle continue to be of prime importance. Our listeners are interested in what is happening in their own backyard. Any story that has an impact, or potential impact on their life, or that they can relate to, should be given priority.

- **National News**

National stories also rate well. You should always be looking for a local angle, or a local interview, in a national story. (again the regional perspective).

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- **Major Disasters**
These are active stories and are more often than not breaking stories. They either have an immediate impact on people's lives, directly, or indirectly, through relatives or friends, OR they have an emotional impact on a listener ... they evoke compassion, anger etc.

 - **Hip Pocket**
Any story that pulls on the purse strings will be of interest to our listeners, and that includes everything from taxes and interest rates down. If it's going to cost or save them money, our listeners WANT to know.

 - **Environmental News**
The environment is a major issue facing our nation and our planet heading into the 21st century. People are interested in what is or isn't being done for the environment. They also want information about changing consumer habits and products, weather trends and recycling tips etc.
2. **Humorous Items and Overseas News (30%+ of listeners are very interested in hearing stories that fall under these categories)**
- **Humorous Items**
News by it's very nature can, at times, be a little depressing, so it's important to balance out the "bad" news stories with some positive, and that includes humorous items. These are particularly useful at the end of the bulletin to lift the listeners spirits. The benefits of a good laugh can never be UNDERESTIMATED.

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- **Overseas News**

International stories are often breaking news stories, and these have a strong role to play, especially if they carry emotional impact. International human interest stories are also fairly well ranked by our listeners. However, beware of long running, high profile dramas. Listeners do wary of them if they're being bombarded by the media. Radio should not harp on...unless there's breaking developments.
- 3. **Politics and Interstate News (Low interest – under 30% of listeners regard these stories as very important)**
- **Federal, Local and State Politics**

Radio listeners are very cynical about politics and find it boring, unless it jumps out and grabs emotion or has tangible relevance to their life and/or finances.i.e. a rates increase, the building of a new entertainment centre, road problems. ALWAYS avoid political wrangling...listeners don't care about abstract, long-running disputes between politicians.
- **Interstate News**

Listeners don't want to know about issues that have zero impact on their lives. If it's not relevant to our listeners, DON'T run it.

THE ROLE OF THE DUTY EDITOR

The journalist responsible for compiling and reading bulletins during a particular shift shall be deemed the Duty Editor.

Duties include:

- Quality control of news – ensuring the highest standard are met
- being aware of news that has been broadcast and issues that have arisen from previous shifts.
- ensuring stories are re-written and made fresh. Stories must be updated constantly. The Duty Editor should help journalists find ways of developing stories.
- allocating tasks and story follows to journalists.
- regular checks with Police, Firies and Ambos
- check all faxes and media releases to determine their level of priority and follow up where necessary
- checking, and if necessary, sub-edit scripts prepared by journalists, always keeping the style guide in mind.
- liaise with other network stations to ensure no stories are missed
- ensure plenty of material remains for the next shift – this also applies to night editor, who should where possible prepare some stories for the next days brekky shift.

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****The Duty Editor should contact the News Director when major stories break, when legal issues arise or when approval for overtime is required. If still unsure the senior journalist should check with the Program Director or General Manager.

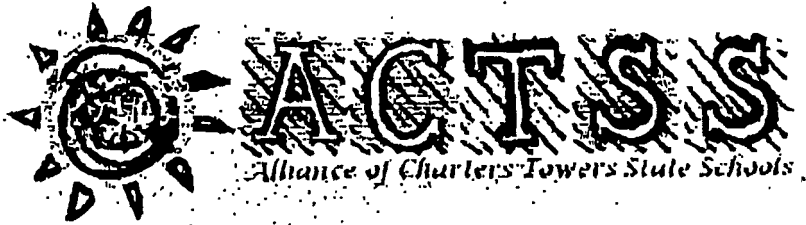
****The senior journalist is always on call and is responsible for all newsroom activities. He/She is also there to help.

****Duty Editors and Journalists are encouraged to use their best judgement when decisions need to be made. However, if it is difficult to 'make the call', advice can be sought from Program Director or General Manager.

****If stories arise about broadcasting, the radio industry or our competitors, it is likely DMG Regional Radio will have an official position. This should be sought from the Program Director or the General Manager.

Schedule 6 - Charters Towers Testimonials

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CERTIFICATE OF APPRECIATION

AWARDED TO

JAMES HENDERSON

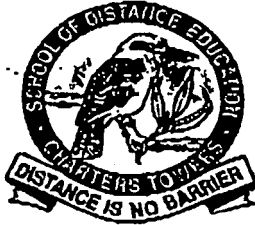
FOR

SUPPORTING THE ACTSS CANBERRA TRIP 2000.

THE STUDENTS, PARENTS AND TEACHERS WISH TO THANK YOU
FOR YOUR DAILY SUPPORT AND LINK TO HOME WHILE WE WERE
TRAVELLING.

Signed: G.J. Robinson Date: Tuesday, October 10, 2000

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Charters Towers School of Distance Education

Certificate
Of
Appreciation

This certificate is awarded to

James Henderson

*Your contribution to our fundraising effort for the
Leukaemia Foundation's*

'The World's Greatest Shave for A Cure'
was greatly appreciated.

L. Cooper
L. Cooper

Exquisite Skin Care Clinic

Shop 3/76 Mosman Street, Charters Towers QLD 4820
Ph 07 4787 3091

In reply to the inform on an enquiry involving our Regional Radio Station. As a Business owner and operator as well as a member of the local Chamber Of Commerce. I have noted great improvement in the delivery and standard of quality of

Production been supplied by DMG

Over the past eighteen months I have increased my advertising to double, due to this factor.

The employment of local personal benefits our community. This can not be ignored in today s employment climate.

Out of hours I personally enjoy a wider range of information and music to listen to. I could only presume any enquiry would be to see what expansions would be offered.



Sandra Boyd



To whom it may concern:

I have been asked by Stuart Snell, the manager in Charters Towers of our LOCAL radio station, to pass some comments regarding the service we receive from DMG Radio.

This organisation is a local not-for-profit body that has served the communities of Charters Towers and Hughenden in the areas of training and employment for over 15 years. We work for the more disadvantaged people in our community who do not have access to the sorts of assistance which get them back into work.

Often employers will ring us after hours with an urgent request for an employee. Our relationship with 4GC is such that they will get it on air immediately. This involved considerable work as far as re-arranging timeslots, high levels of access to staff and a commitment to both this organisation as a customer and as a Community body. The fact that they access listeners across our remote rural areas that may not have any other type of communication besides the television makes this particularly important and useful. Our young unemployed and disadvantaged often tell us that they picked up information by listening to Hot FM.

The company assists us with playing to air free timeslots that are geared towards providing information that assists people into getting a job or informing people of assistance available to them in our community.

I believe that this station, particularly manned by the current staff, really demonstrates that it is interested in being a part of our community rather than just a commercial service.

For any further information please do not hesitate to contact me.

Marie Parsons

Marie Parsons
CEO
1/02/2001

MAIN OFFICE
34 Gill Street, Charters Towers
P.O. Box 881,
Charters Towers, Qld. 4820
Telephone (07) 4787 2200
Facsimile (07) 4787 2433
Email skillwest@charters.net.au

A Quality Assured Supplier
of

- > Outplacement
- >>> Recruitment Advertising
- >>> Staff Selection
- >>> Traineeships
- >>> Temporary Placements
- > Vacancy Registrations

A Registered Training
Organisation
offering

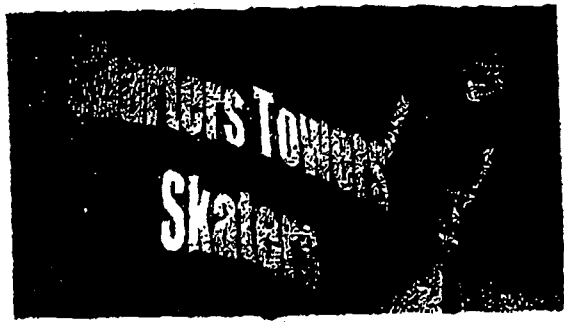
Nationally Recognised
Training
in

- >>> Automotive
- >>> Business Studies
- >>> Engineering
- >>> Fitness Sport & Recreation
- >>> General Education & Training
- >>> Mining
- >>> Rural Industries
- >>> Transport & Warehousing
- >>> Wholesale & Retail

Servicing North Queensland
from
the East Coast
to
the Far West



Jobs Australia
Linking People and Work
Quality Assured
Member of Jobs Australia network



Charters Towers Skaters
c/- Rural Youth Worker
P.O.Box 189
Charters Towers, Qld. 4820
07 4787 1555

30 January 2001

Mr. S. Snell
Manager
4GC Radio Station
Box 381
CHARTERS TOWERS QLD.4820

Dear Mr. Snell:

On behalf of the young skaters living in the City of Charters Towers, I wish to thank you for donating air time to announce the skating competition held last Saturday, 27th January.

Approximately thirty skaters enjoyed the afternoon, with ten skaters nominating for the two competitions, an 'under 13's' and an 'open' event. We were pleased to welcome skaters from Townsville who came to participate and feel that our first every skating competition was a great success.

We plan to organise a skating competition lasting all day next time, with events for roller bladers and skater boarders.

Again, thank you very much for supporting us and helping to make this event so enjoyable.

Yours faithfully,

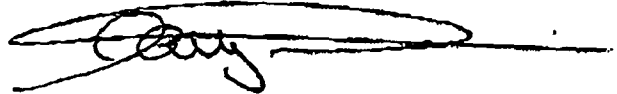
Doug Stephenson
on behalf of Charters Towers Skaters

TRAX CAR REPAIR AND CAR SOUND
34 DEANE STREET
CHARTERS TOWERS, 4820
07 47873472

TO WHOM IT MAY CONCERN,

AS A NEW BUSINESS IN CHARTERS TOWERS I CHOSE TO USE OUR LOCAL RADIO STATIONS TO ADVERTISE OUR NEW STORE. WE FOUND IT TO BE A PROFESSIONAL AND HAS BEEN OUR MAIN FORM OF ADVERTISING. WE HAVE BEEN VERY HAPPY WITH THE RESPONSE THAT WE HAVE HAD AND WILL CONTINUE TO USE THE TWO LOCAL STATION AS OUR MAIN FORM OF ADVERTISING. AS TRAX IS A NEW COMPANY AND OFFERS THE LASTEST IN TECHNOLOGY WE FEEL THAT DMG OFFERS THE SAME WITH THEIR STATE OF THE RECORDING AND PRODUCTION STUDIOS AND TRAX FEELS IT IS AN ASSET TO THE CHARTERS TOWERS AND SURROUNDING AREAS.

YOURS FAITHFULLY



COLIN UGARTE



Sonia's Junior Fashions & Flowers

32 Gill Street
Charters Towers Qld 4820
Ph: (07) 4787 1800

As an advertiser on 4GC & Hot FM. I am extremely impressed with the standard of service & ads that I have received over the past 12-18 months.

I do prefer to advertise on radio & am very happy that management & staff put 100% input into the upkeep & help of my business, by way of advertising.

My family are also involved with the youth skin Park & 4GC & Hot FM have been excellent in helping with the promotion of this, they provide excellent community support with no hesitation.

Thank you

Sincerely

Mrs Glenda Lott

Owner / Manager

30.0.01

Sue Chapman,
Charters Towers
Basketball Association,
PO Box 16,
Charters Towers.
QLD. 4820

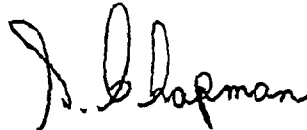
The Manager,
4GC,
Charters Towers.
QLD. 4820

Dear Stuart,

Just a quick note to thank 4GC for supporting our fledgling basketball association with the provision of free air time to promote the upcoming season.

As you are aware, promotion is vital to our association to ensure we get off to a successful start. When starting any new endeavour funds are always low and the air time provided by your radio station has certainly helped us reach out to interested participants.

Once again, thank you.



Sue Chapman