



SUBMISSION TO SENATE SELECT COMMITTEE  
PARLIAMENT HOUSE, CANBERRA  
MONDAY, 18 MARCH 2013

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Good Morning,

Thank you for the opportunity to discuss these issues.

The WIN Network is a regionally based media company that has had one owner for the past 34 years. In fact WIN is THE only regionally based large media company in this country, our head office is in regional Australia, our managers are based in regional Australia, we are part of regional communities, we invest heavily in regional communities and regional development and we support the growth and sustainability of regional communities. Of all the groups that you will hear from today (who live and work in Sydney and Melbourne) WIN is best placed to have a view on the impact of the reach rule removal on regional communities.

WIN is inclined to be negative about the proposed removal of the reach rule as we have a number of concerns but to be honest we do need more time to consider what's in front of us (as I'm sure you and some of your colleagues do).

But let me tell you why we are concerned ...

We have three main concerns under the broader concern of localism.

The concerns are about **regional news, community support and local business opportunity.**

We have some real concerns for the future of regional news.

**WIN NETWORK**

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When companies merge, they look for synergies ... removing costs! These costs are never removed from profit centres, as you know merged companies look to remove non-profitable items from their business. Can tell you now as the CEO of the Television Network that airs more local news bulletins than any other, broadcasters do not make money from Regional news. WIN's costs of producing and airing 25 local bulletins a day is 3 to 4 times the actual revenue that WIN receives in these bulletins.

That said WIN has always been committed to providing local news to regional communities. It's a commitment that doesn't bring commercial gain but rather a commitment that is made because we understand the role we play in regional communities .... **We give a voice to regional communities !!!!**

WIN produces and airs 25 separate local bulletins each day in six states, across 25 markets and 80 electorates. Each reporting on market specific **news, sport and weather.**

In every market we air hourly local news updates across the day and hourly, local news sport and weather updates every evening. WIN employs over **400** journalists, cameramen, producers, editors, presenters, operational and management staff across Australia to get these bulletins and updates to air.

**WIN continues to invest in local news.** In the past year WIN has invested in a purpose built facility in Maroochydore that produces 8 distinctly separate bulletins daily ... we believe this is a first for Australian News.

We have even introduced a 4.30pm Western Australia specific afternoon bulletin as opposed to running the national 4.30pm news. If the 9 network had their way we would be running a 3 hour old bulletin out of the East Coast. Our view is different. We believe that Western Australia's communities deserve more than a 3 hour old bulletin.

What do our competitors do?

**Prime7** produces six local bulletins across all of its markets. That's roughly one bulletin in every 3 of their markets.

**Southern Cross** produces 2 local bulletins ... roughly 1 bulletin per 12 markets.

The rest of their markets are serviced by centralised 2 minute updates.

Southern Cross don't even run the Channel 9 South Australian news into their SA markets, they run the 9 Sydney news ... not a great commitment to local news.

That said, I understand that both Southern Cross and Prime are currently meeting their local content requirements.

On Southern Cross ... We've read about a potential 9 Southern Cross merged entity committing to produce local news to the level that WIN currently does, **Firstly**, this is hard to believe given Southern Cross current commitment to regional news and **secondly** setting up 20 additional news bulletins is not that simple. You have to build studios, create connectivity, find presenters, journalists, cameramen, editors, buy news gathering equipment, cars, etc ... all with long lead times and then you've got to make it happen. We know this because we have already had the experience.

Is WIN concerned that the events that would follow the removal of the reach rule may effect our ability to continue with our Commitment to news over time???? It would be wrong to not be. Are we concerned that in the future we may not be able to produce a regional news .... Of course we are.

But it's not just the news that we have concerns for.

It's the community support. Regional Television networks provide tremendous support and awareness for local cultural, sporting, religious, awareness and fundraising and charitable groups. Through airtime support and cash as an industry we have supported numerous local regional

groups. In 2012 alone WIN supported many hundreds of worthy local groups across the country.

To give you some examples

I98 Camp Quality Convoy  
Mt Gambier Christmas Pageant  
We Love The Gong  
Gympie Muster  
Fraser Island Fishing Classic

And on the sporting side, WIN's commitment to keeping International standard rugby league in Regional Australia is unmatched.

A great deal of resources go into ensuring we can continue to support these groups. Our concern is that this support would be lost as regional broadcasters were consumed in a larger entity.

Our third concern is for the businesses that we work with in regional communities (our advertisers) that may well lose their voice.

In metro markets over 90% of commercial inventory is consumed by National advertisers. In regional markets this number is closer to 65% of inventory. The balance is used by smaller regional businesses to promote themselves. Those who live in regional Australia would understand the type of commercial I am referring to. Our concern is that any merged entity would try and sell the entire larger audience footprint to national advertisers in an efficient manner .... Effectively shutting out the opportunities for regional business to promote themselves. Regional businesses will suffer.

In summary WIN's concerns about the effects of removing the reach rule are very much about regional Australian communities having a local voice and WIN's ongoing ability to continue to deliver on our commitment to providing that local voice.

I do have one more concern. In today's agenda I see that our metro affiliate 9 has been allocated almost double the time that WIN has been

allocated. I'm not sure if this is a typo that will be rectified or a look into the future where Metro voices are so much more important than regional voices.

Thank you for your time.