

1 November 2021

BY EMAIL: captioning@infrastructure.gov.au

Dear Sir/Madam,

Thank you for the opportunity to make a submission with respect to the Australian Government issues paper, 'A Captioning Scheme for Subscription Television' (**'Issues Paper'**) dated October 2021.

beIN Sports Australia welcomes the proposals in the Issues Paper. We strongly support a simpler approach to captioning, which will see STV continue as the leader in television captioning while also being fairer to STV channel providers and more transparent and predictable to viewers.

About beIN Sports Australia and our experience with captioning

beIN SPORTS Australia launched in November 2014 and now provides 3 live sports pay TV channels to the Foxtel and Fetch platforms.

beIN Sports' Australia's content includes La Liga (Spain), Ligue 1 (France) Serie A (Italy), Bundesliga (Germany), Scottish Premier League, Football League Cup football competitions, WTA and ATP, David Cup and Fed Cup tennis tournaments, Six Nations, Wallabies and All Blacks Spring Tour Rugby tournaments.

For FY22, our captioning target is 50% of total broadcast hours aggregated across the group. We have found complying with the current captioning scheme particularly onerous as it requires;

- a) significant financial expenditure, which continually increases yearly as the captioning target increase yearly,
- b) extensive time and work internally within our company requiring the mobilisation of several departments within our company, on a daily basis, and
- c) significant costs to engage a 3rd party captioning provider including stenographers to complete the captioning. Daily communication and extensive work is required to provide captioning through a 3rd party provider. This is particularly onerous for beIN as well, due to the genre of our channels as we focus on broadcasting live sport, which is particularly costly and challenging to caption.

The reform proposals

beIN Sport Australia welcomes a number of the reform proposals outlined in the Issues Paper, on the basis that they are implemented as a package. The package of reforms we support will maintain the STV industry as the leading television source of captioning for deaf and hearing-impaired Australians but through a simplified and fairer approach.

- (1) Removing the annual 5% increase on each genre's captioning target.

We strongly support the proposal to introduce a cap on each genre's captioning target, rather than progress to the current ultimate 100% requirement.

Successive 5% year on year increases means that the compliance burden on our business is continually increasing and there is a real cost associated with this. In addition, unless the targets are capped we will eventually be required to caption at 100% in the future, which we submit is onerous compared to the level of captions required on FTA services with much larger audiences.

As such we strongly support the proposal to remove the 5% annual increases. Our view is that STV captioning targets should be capped across all genres at no greater than the relevant FY22 captioning level per genre (or an average of the FY22 targets if the movies and general entertainment categories are collapsed). We submit that the FY22 captioning levels already provides an extremely high level of captioning. Any higher means that technical compliance becomes a significant challenge. Each year the cost of captioning an increasing % of all broadcasts increases exponentially.

For example, a budget increase of 25% was required to increase the captioning from the FY21 requirement (45%) to the FY22 requirement (50%). As we move closer to 100% captioning, the proportion of financial expenditure required to be spent on captioning costs versus revenue earned is likely to increase further threatening the viability of the existing service.

Meeting the targets within a viable budget is a challenging task that requires strategic planning on an annual, weekly and daily level.

The current caption system encourages broadcasters to air re-runs of captioned content to meet obligations rather than air fresh content or content that is not captioned.

The increasing financial constraints alter our plans and strategies away from optimal programming and scheduling decisions based on viewing data, and ultimately reduce customer satisfaction.

(2) Introducing a low audience share exemption.

We support a low audience share exemption which applies where viewership of our channel is below 0.1% (one tenth of 1%) of the average annual national audience share (across both FTA and STV in all homes). This proposal ensures that STV captioning obligations are appropriately targeted to the channels with a reasonable level of viewers.

This exemption is consistent with the regulatory policy of the BSA, which states that different levels of regulation should be applied to services "according to the degree of influence" those services have on the Australian community.

beIN Sports channels' current low share of viewing makes off-setting the high cost of captioning challenging and, at times, prohibitive. The expenditure we currently spend on captioning could be better utilised to acquire or create additional content or on marketing initiatives, to increase our audience. This would enhance the quality/reach of the channels and potentially increase our levels of production and our audience numbers in Australia.

Furthermore, the nature of live sport means that captioning can be unreliable and not cost-effective particularly for a low audience channel. As we are a small

audience channel, we do not have the resources to perform specialist work like captioning internally and must engage an external service provider. This captioning service needs to be engaged at specific times to perform captioning for live sport in other countries outside of Australia, often outside of business hours. The captioning service may not be able to respond to the demands of live sport, such as weather delays or over-runs. As a result, caption services can be interrupted during broadcasts, additional costs are incurred and the viewer experience is adversely affected.

Application, renewal and publication of low audience channels.

BeIN Sports Australia supports using OZTam measurement data to assess eligibility for the low audience exemption for a period of at least a 2 year period. We would also support an automatic 5 year period if the exemption period is granted for 2 successive 2 year periods. This would give us more certainty when preparing budgets each year for production, content acquisition and marketing.

We also support a simple process for renewal of the low audience exemption by STV licensees providing OZTam data directly to the ACMA at the end of each financial year rather than publishing the OZ TAM data.

We would support publication of channels with the low audience exemption on the ACMA website only and prefer that the OZTam measurement data relied on determine the low audience % or the actual percentage per channel is confidential and not published as it may impact our ability to sell advertising inventory on the channels.

In conclusion, beIN Sports Australia strongly supports the package of reforms outlined in the Issues Paper. These proposals will ensure that captioning is appropriately targeted at channels with a reasonable audience share and will also assist in simplifying the regime for the whole of the STV industry.

Please do not hesitate to contact me on [REDACTED] if you have any questions regarding the matters raised in this submission.

Kind regards,

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beIN Sports Australia Pty Ltd