

21-05-2021

Content Division

Department of Infrastructure, Transport, Regional Development and Communications

Delivered via email to: content@communications.gov.au

Re: Comments on the Media Reform Green Paper

CMI Music and Audio are an importer and distributor of Professional Audio equipment we supply wireless microphone solutions to a wide range of end users in the Education, Performing Arts, House of Worship, and Government sectors. CMI Music & Audio is a founding member of ACETA the Industry peak body that represents our Industry.

Wireless audio transmitters are used extensively in local content production including televised sport, music events, theatre productions, live music, television studio productions, film production and television news gathering. Any further reduction to the spectrum available to these devices will reduce capacity, increase potential for interference and impose additional management overheads on the very industry sector this paper aims to assist, thus making the stated goal of increasing production of local content even more difficult to attain.

Other industry sectors and end-users will also be affected by a reduction in available spectrum such as Community Centres, Houses of Worship, Conference facilities, Healthcare, Hospitality and Education.

The Australian tertiary education sector is a major user of wireless audio transmitters with some universities operating hundreds of channels per campus. Most of these devices currently operate in the 600 MHz band. Any reallocation of the 600 MHz band would necessitate extensive changes to existing wireless audio hardware imposing a significant financial burden on end users including the university sector who are still suffering from COVID-19 impacts including loss of income, staff redundancies etc.

In a report commissioned by the Australian Music Association in 2008, it was estimated that wireless audio transmitters had a 10-year present value estimated benefit to the Australian economy in the range of \$291 - \$714 million¹. Based on our experience and anecdotal evidence, this may have increased at least three-fold since 2008 (COVID-19 notwithstanding).

We note that wireless audio transmitters are not specifically mentioned in the green paper. We urge the department to consider these systems and ensure allowances are made to support their operation within any new framework that is proposed. The ongoing viability of these systems is reliant on continued availability of sufficient interference-free spectrum in the UHF TV broadcast band.

We offer comment on the following Consultation questions from the Media Reform Green Paper.

Chapter Three:

3.1 Is the deregulatory benefit on offer sufficient to encourage commercial television broadcasters to take up this offer?

No comment

¹ "Untethering the microphone: AN economic study of the benefits of spectrum use for unlicensed audio-visual devices in Australia", Windsor Place Consulting, 22 April 2008.

3.2 Are there any other features which could attach to a new licence that would assist in broadcasters transitioning to a new and more sustainable business model?

No comment

3.3 What elements of the existing regulatory framework should continue to apply?

There should be no adverse changes to the utilization of Wireless audio transmitters within the remaining Broadcast spectrum as is currently afforded to users under the LIPD.

If, as the green paper alludes, 610-694 MHz is repurposed and existing television condensed into 526-610 MHz, in some geographic areas there will potentially be insufficient UHF spectrum to support operation of wireless audio transmitters, with the greatest impact being in higher education.

3.4 Should the new licence arrangements be uniform for all commercial television broadcasting licensees, or should there be differences for metropolitan and regional / remote broadcasters?

No comment

3.5 When do you think the new licence framework should come into effect?

To ensure that all that are affected by this decision have enough time to transition, this includes Manufacturers, distributors and end users, we believe that a minimum period of 5-7 years should be considered, the manufacturing of new products could become the greatest obstacle to this change, as the development of products to work within a reduced bandwidth may fall well beyond the suggested timeline.

The suggested change could also have an adverse affect on multiple users making the continued operation of current equipment illegal.

3.6 What further measures should be considered that would assist regional commercial broadcasters in remaining sustainable?

No comment

Chapter Four:

4.1 Should Australia continue to operate digital television systems using the DVB-T standard and the MPEG-4 compression technique? Are there other options that should be considered?

No comment

4.2 How should the new multiplex transmitter licences operate? Should broadcasters be required to form a company for the purposes of holding the new multiplex licences?

No comment

4.3 How can the Government work with industry to minimise disruption for households during the proposed transition?

For the industries that we represent households are not a consideration, Owners and operators of wireless audio transmitters operating in the broadcast spectrum will be greatly disrupted and forced to purchase new equipment to continue deriving an income, in some cases any such equipment may not be available due to already congested UHF spectrum.

We implore that the government engages with the relevant peak industry bodies (the Australian Music Association (AMA) and the Australian Commercial and Entertainment Technologies Association (ACETA) to develop a compensation package or tax incentive to ease the financial burden on businesses and individuals forced to replace equipment as a result of any reduction in available UHF spectrum.

4.4 Is it important for free-to-air broadcasters to maintain the precise number and picture quality of channels currently offered?

No comment

4.5 Should the transition model prioritise the capacity for broadcasters to provide significantly more services, or services of a significantly higher audio-visual quality (such as UHD)?

No comment

4.6 What would the cost savings be for broadcasters? Over what period would these potential savings be realised?

No comment

4.7 What would be the impact on owners of transmission facilities?

No comment

Chapter Five:

5.1. Do you consider that revenue from the sale of spectrum could be used to support public policy initiatives for media?

Of course, Revenue from the sale should support public policy initiatives, but to also compensate owners of wireless audio transmitters who may be forced to vacate the spectrum due to the proposed restack. Many of these wireless audio transmitters are used by Programme producers & Special Events companies in the production of Broadcasting, News Gathering, Theatrical and Concert content used by the media and Free to Air TV broadcasters, the higher education sector will also be greatly affected as most universities deploy anywhere from as little as 50-100 transmitters, but in most cases will exceed 800 transmitters.

5.2 Are there examples of best practice in providing sustainable and targeted support in other jurisdictions?

No comment

Chapter Six:

6.1 Should the investment obligation apply to all types of SVODs, BVODs and AVODs including those that specialise in content such as sport?

No comment

6.2 Would a rate of investment of five per cent of Australian revenue be reasonable? Is there an alternative rate that is more appropriate?

No comment

6.3 Should alternative models, such as a percentage of overall programming expenditure, be considered?

No comment

6.4 Is the proposed revenue threshold of \$100 million reasonable?

No comment

6.5 Should the investment obligation be able to be fulfilled with any genre of Australian content, or genres such as drama, children's programming or documentaries?

No comment

6.6 Should the investment obligation be geared to commissioned content, or broadened to permit the acquisition of Australian content that would satisfy the first release requirement?

No comment

6.7 Should the investment obligation capture broader categories of content investment, such as pre and post-production?

No comment



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Chapter Seven:

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7.1 Is the current amount of Australian content produced and commissioned by the ABC and SBS appropriate?

No comment

7.2 How should a statutory obligation for the ABC and SBS to provide Australian content be constructed?

No Comment

7.2.1 Should this focus on the investment in Australian programming, or require the provision of certain levels of Australian programming?

No comment

7.2.2 Should the obligation focus on Australian programming broadly, or target particular genres such as drama and children's programming?

No comment

7.2.3 To what extent should the obligation differ for the ABC and SBS to accommodate their differing roles and remit?

No comment

7.3 What impact would the imposition of a clear Australian content obligation for the ABC and SBS have on the Australian screen production industry, and the provision of Australian content more broadly?

No comment

Chapter Eight:

8.1 Is the timeframe proposed in this chapter realistic?

Unfortunately, we believe that from the suggested period being (Mid-2024) with the suggested completion being (December 2025) completely fails to take into consideration the vast amount LIPD users of Wireless audio transmitters, and the subsequent challenges in converting their inventory.

8.2 Are there any particular stages that would require a greater or lesser period of time?

We believe that you will need to allocate additional time and resources in assisting existing users of the affected wireless audio transmitters, by not adequately managing these users it could result in an unknown quantity of devices remaining operational in the previous spectrum, potentially causing interference issues.

8.3 Are there particular risks and factors that need to be taken into account in terms of the timing for the transition to the new licensing and regulatory model?

Given that the users of wireless audio transmitters are generally unknown, it would be extremely difficult to advise them that they would be utilizing transmitters that fall outside of the permitted operating range. Additionally, many of these end-users are non-technical and do not routinely follow government or industry news. In most cases the operators of these devices would be unaware of the digital dividend or the changes to the permitted operating range.

We encourage the department to allocate sufficient resources and budget to fund a wide-ranging communications program to target and inform such users of any further changes. We encourage the department to engage with industry peak body groups such as the Australian Music Association (AMA) and the Australian Commercial & Entertainment Technologies Association (ACETA) to assist with this program.

Response submitted by,

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