

Annual Reports to the ACCC pursuant to section 118PN of the Radiocommunications Act

Financial Year 2009-2010

Public version

Digital Radio Joint Venture Companies

Adelaide, Brisbane, Melbourne, Perth and Sydney

24 December 2010

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Executive Summary

Background

This document constitutes an annual report by the digital radio multiplex transmission licensees in Adelaide, Brisbane, Melbourne, Perth and Sydney (**JVCs**) under section 118PN of the *Radiocommunications Act 1992* (Cth).¹

On 22 April 2009, the Australian Competition & Consumer Commission (**ACCC**) determined that an ACCC-modified access undertaking was to apply to multiplex transmission capacity services by the JVCs pursuant to section 118NF(5) of the Radiocommunications Act (the **access undertaking**).

Section 118PN of the Radiocommunications Act provides that, if an access undertaking is in force during the whole or part of a financial year, the JVCs must submit annual reports to the ACCC within 60 days of the end of the financial year, on the following:

- matters specified in the *Digital Radio Multiplex Transmitter Licence Procedural Rules 2008* made by the ACCC under section 118PO of the Radiocommunications Act (**Procedural Rules**); and
- matters that relate to:
 - compliance during that financial year with the access undertaking; or
 - compliance during that financial year with the standard access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the excess-capacity access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the distributed-capacity access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the obligations that are applicable to the licence under section 118NP.

The Procedural Rules require the JVCs to cover the following matters within an annual report:

- compliance during that financial year with the access undertaking
- compliance during that financial year with standard access obligations (if any) applicable to the licence

¹ Further details about the entities that have lodged this annual report are set out in Attachment 1.
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- compliance during that financial year with excess-capacity access obligations (if any) applicable to the licence
- compliance during that financial year with obligations that are applicable to the licence under section 118NP of the Radiocommunications Act (i.e. the JVC's non-discrimination obligation)
- any non-compliance (including reasons) with the above
- steps taken to rectify non-compliance
- expected completion dates for matters requiring rectification
- changes to the membership of the JVCs that have occurred during the financial year
- any authorisation of third party users.

This annual report covers the matters identified in section 118PN of the Radiocommunications Act and the Procedural Rules.

Overview of findings

Digital radio services in Adelaide, Brisbane, Melbourne, Perth and Sydney officially commenced on 1 July 2009.²

Accordingly, the 2009-2010 financial year represented a start up phase for the JVCs and was the first full year in which the JVCs supplied multiplex transmission services to access seekers pursuant to the access undertakings.

The 2009-2010 financial year also marked the period over which the JVCs took over full responsibility for the digital radio multiplex infrastructure from Commercial Radio Australia (**CRA**), which until that time was largely responsible for implementation of digital radio platform in Australia.

Our review has concluded that the JVCs have been largely compliant with the legislative requirements of the Radiocommunications Act and the terms of the access undertaking and access agreement for that period.

The JVCs entered into access agreements with all incumbent commercial broadcasters in the respective BSA radio areas in June 2009. The JVCs supplied standard access entitlements to incumbent commercial broadcasters in accordance with the requirements of the Radiocommunications Act and the access undertaking pursuant to these access agreements.

As the community radio sector did not receive funding to allow digital community broadcasters to take up their standard access entitlements, the JVCs did not supply

² This was the date that ACMA nominated as the digital radio start up day for each of the five capital cities. See, Australian Communications and Media Authority, *Media Release: ACMA announces 1 July 2009 as digital radio start-up day*, 26 June 2009. http://www.acma.gov.au/WEB/STANDARD/pc=PC_311779

any standard access entitlements to digital community broadcasters in the 2009-2010 financial year.

While the JVCs and the community broadcasting sector (represented by the CBAA) took steps towards the end of the financial year to enter into arrangements that would allow digital community broadcasters to take up these entitlements in the future, these arrangements were not concluded during this financial year.

The JVCs supplied excess-capacity access entitlements to various content service providers during the financial year following the auction of excess multiplex capacity on 27 November 2009. The auction was conducted in accordance with the requirements of the Radiocommunications Act and the additional obligations contained within the access agreement. Further details about the auction process are provided in this annual report.

The JVCs have supplied the multiplex transmission service to content service providers in accordance with their non-discrimination obligations.

The JVCs have also determined access fees in respect of the standard access entitlements and excess-capacity access entitlements in accordance with the requirements of the pricing principles in the access agreement.

The JVCs have identified one area where compliance with the pricing principles within the access agreement was not readily possible. Specifically, the JVCs were unable to set the WACC by reference to the criteria specified in the pricing principles, which requires the JVCs to set a WACC that is commensurate with the WACC of *“similar enterprises conducting similar businesses, with a similar risk profile and at a similar phase of their business cycle”*.

There are several reasons why the WACC could not be set in accordance with this criteria during the 2009-2010 financial year. As an interim measure, the JVCs used a conservative post-tax WACC of 7.5% in calculating their access fees for the 2009-2010 financial year. The JVCs have taken steps to resolve this issue in late 2010 by commissioning an economic consultancy to recommend an appropriate WACC based on the criteria set out in the pricing principles. The JVCs have now adopted a post-tax WACC of 11.01%

The JVCs do not consider that the use of an interim WACC during the 2009-2010 financial year had a material adverse impact on access seekers or competition in relevant markets..

Confidentiality

There are aspects of this Annual Report (including some attachments) that are confidential to the JVCs.

It is requested that, aspects of this report that are identified as confidential not be disclosed to the public in accordance with section 13 of the Procedural Rules.

The JVCs do not object to the disclosure of this annual report (including the attachments) in its entirety to the Australian Communications and Media Authority in accordance with section 16(1)(f) of the Procedural Rules.

Annual Report

1 Compliance with digital radio access undertaking

1.1 Overview

This section sets out the extent to which the JVCs have complied with key aspects of the access undertakings, including the access agreement that forms part of the access undertakings and which has been entered into with access seekers.

We have not sought to cover all aspects of the access undertaking and access agreement as part of our report given there are many aspects of these documents that are non-substantive or which were not operative or relied upon during the 2009-2010 financial year (e.g. the liability and indemnity provisions under the access agreement).

We have, however, sought to cover areas that we envisage are likely to be of interest to the ACCC.

The areas of the access undertaking and access agreement covered in this section include:

- operational manual requirements under clause 2.2 of the access agreement
- the JVCs supply obligations in respect of the multiplex transmission service under clause 9 of the access agreement
- the JVCs obligations in respect of financial security under clause 14 of the access agreement
- the JVCs compliance with the pricing principles in Schedule 2 of the access agreement, including:
 - the efficient cost principle for the inclusion of capital expenditure, operating expenditure and overheads into the JVC cost base under clause 3.3
 - the determination of the weighted average cost of capital under clause 3.4
 - the criteria for the calculation of access fees under clauses 4.1 and 4.2

- the criteria for adjustments to access fees based on changes to the amount of multiplex capacity being acquired under clause 4.4
- compliance with the process for review of the access fees under clause 5.

We are provided a summary of our overall findings on compliance in Attachment 2.

This section does not explicitly consider the issue of compliance with the standard access obligations and excess-capacity access obligations, which are covered in sections 2 and 3 Below, respectively.

1.2 Operational manual

Clause 2.2(a) of the access agreement provides that the JVC must develop an operational manual in consultation with all access seekers to deal with the technical and operational matters in relation to the access agreement. The access agreement does not impose a timeline for the development of such a manual.

Clause 2.2(b) of the access agreement requires the JVC to undertake the following tasks in order to develop the Operational Manual:

- establish a consultative process for the development of the Operational Manual
- consult with all Access Seekers in good faith
- use its reasonable endeavours to accommodate any reasonable requests by Access Seekers during the consultation process relating to the development of the Operational Manual
- ensure that the Operational Manual is consistent with the Access Agreement.

The JVCs did not finalise the operational manual in the 2009-2010 financial year, although the process of developing the operational manual had commenced by the end of the financial year.

There are several reasons for this:

- the digital radio multiplex platform was not ready to be operational at high power until the end of July 2009
- in addition, there were a number of engineering issues that needed to be resolved during the course of the financial year before an operational manual could be developed and finalised – this related to ‘fine tuning’ the actual performance of the platform over the first 12 months of operation
- all access seekers, as a consequence of their participation in the JVCs (in their capacity as shareholders) and the Digital Technical Advisory

Committee (**DTAC**) (discussed below), had visibility of the operational and technical arrangements that underpinned the delivery of the multiplex transmission service and did not require the development of an operational manual to understand these arrangements

- there were no third party access seekers acquiring the multiplex transmission service at that time (i.e. digital community broadcasters or restricted datacasters) and, therefore, there was no risk of discrimination on the basis of differences in technical and operational quality of the service arising from information asymmetry issues.³

The JVCs do not consider that this represents a non-compliance with the access agreement, as the obligation to develop the operational manual is not time sensitive.

The development of the operational manual commenced in May 2010 following finalisation of certain technical and operational issues and was finalised on 27 September 2010.

The process undertaken by the JVCs in respect of the development of the operational manual was compliant with the clause 2.2 of the access agreement.

In particular:

- the operational manual was developed by the DTAC - DTAC was established by Commercial Radio Australia to provide technical advice on the implementation of the digital radio platform in Australia and is comprised of subject matter experts, vendors and technical representatives from all access seekers, including representatives from the community sector
- DTAC was the forum for consultation with access seekers on the contents of the operational manual, as required under clause 2.2(b) of the access agreement
- DTAC undertook multiple rounds of consultation as part of the development of the operational manual over a period of approximately 4 months
- the final version of the operational manual was signed off by DTAC, including by the CBAA representative (which represents digital community broadcasters on technical matters)
- the operational manual was reviewed for consistency with the access agreement by Webb Henderson, the external legal advisors to the JVCs.

In light of the above, the JVCs are not aware of any non-compliance with their obligations under clause 2.2 of the access agreement.

³ Radiocommunications Act, section 118NP. See also, clause 9.3 of the access agreement.
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1.3 Financial security

The JVCs did not require a financial security from access seekers in the 2009-2010 financial year.

1.4 Supply obligations

Clause 9 of the access agreement:

- forbids the JVCs from preventing an access seeker from obtaining access to the multiplex transmission service in accordance with the access agreement
- prohibits the JVCs from discriminating between access seekers to which it supplies the multiplex transmission service in relation to technical and operational quality of the service itself, and the technical and operational quality and timing of the fault detection, handling and rectification supplied in respect of the service – this requirement implements the non-discrimination requirement in section 118NP of the Radiocommunications Act
- requires the JVCs to make the standard access entitlements and excess-capacity access entitlements available to content service providers.

The JVCs are not aware of any non-compliance with clause 9 of the access agreement in the 2009-2010 financial year.

In particular, the JVCs:

- did not prevent any access seeker from receiving the multiplex transmission service during that period
- supplied the multiplex transmission service on an identical basis to all access seekers from a technical and operational quality perspective during that period
- allowed all holders of standard access entitlements and excess-capacity access entitlements to acquire those entitlements pursuant to their respective access agreements.

1.5 Efficient cost principle

Clause 3.3 of Schedule 2 of the access agreement limits the costs that the JVCs can recover from access seekers to those costs that have been efficiently incurred. The same clause also includes criteria to guide whether the various costs elements that comprise the multiplex transmission service (i.e. capital expenditure, operating expenditure and overheads) have been efficiently incurred.

While the JVCs have not engaged experts to express a definitive view on the efficiency of all JVC costs, the JVCs consider that the costs that have been included within its cost base and which were partially recovered during the 2009-2010 financial year reflect the efficient costs incurred by the JVCs.

In particular:

- all digital radio multiplex infrastructure and services (i.e. the major cost components in respect of the multiplex transmission service) were subject to a competitive tender process – further information about key infrastructure and services contracts are set out in Attachment 3 **[C-I-C]**
- vendor responses to the tender process were considered by an industry technical group, which consisted of representatives from all access seekers, which in turn made recommendations to the JVC boards on vendor selection – this ensured that decisions were made in accordance with good industry practice and that the most efficient option available to the JVCs at the time it was chosen
- while contracts were entered into individually by each JVC (or in some cases, by CRA as the agent of the individual JVCs), the contracts were negotiated collectively to ensure the best possible price from vendors
- notwithstanding the collective approach to negotiation, for those contracts where the amount payable by individual JVCs varied (e.g. due to local differences), each JVC paid the local price to the relevant vendor (rather than an averaged price), thereby ensuring that the costs incurred by individual JVCs reflected the efficient cost of service provision in that specific market
- the operating expenditure incurred by the JVCs (i.e. the contracts described above are treated as operating expenditure in company accounts) reflected what was necessary to meet expected demand and was essential to achieving quality, reliability and security of supply in respect of the multiplex transmission service – for example, while the JVCs have engineered the multiplex transmission service to achieve a high degree of reliability, the JVCs have not invested in a second backup transmission facility at this point in time, given the early stage of the digital radio platform in Australia
- the value attributed to these contracts is consistent with those contained in audited accounts for the relevant financial year

In light of the above, the JVCs are not aware of any non-compliance with the efficiency principles contained within the pricing principles in the access agreement.

1.6 Weighted Average Cost of Capital

Clause 3.4(c)(i) of the Pricing Principles within the Access Agreement provide that the weighted average cost of capital of the JVC:

“will be commensurate with the weighted average cost of capital of similar enterprises conducting similar businesses, with a similar risk profile and at a similar phase of their business cycle”.

During the public consultation process for the digital radio access undertakings, the JVCs stated that it was premature to determine the WACC for multiplex transmission services given the nascent state of digital radio broadcasting in Australia and that it would be appropriate to conduct a benchmarking exercise at a later date once more data had become available. This proposition was accepted by the ACCC in its final decision on the digital radio access undertakings.⁴

It was not possible for the JVCs to set the WACC in the 2009-2010 financial year by reference to the criteria set out in clause 3.4(c) of Schedule 2 of the access agreement.

The budget for the 2009-2010 financial year, which included calculations of access fees for that year, was approved by the JVC boards on 28 August 2009. The JVCs did not determine a WACC in accordance with the criteria set out in the pricing principles prior to this date.

During the 2009-2010 financial year, the JVCs used a post-tax WACC of 7.5% for the purpose of determining access fees. This percentage was based on the 10 year Commonwealth bond rate of 5.5% plus 2% (as per Access Economics).

That percentage was intended as an interim measure only and represented a conservative estimate of the cost of capital of the JVCs. A lower rate was also used to avoid any potential disagreement with access seekers about what would constitute an appropriate WACC for the JVCs.

The JVCs do not consider that the adopted WACC rate had a significant negative impact on access seekers or competition issues in relevant markets.

In particular:

- the proposed post-tax WACC of 7.5% was approved by the JVC boards as part of the approval of the JVC budgets on 28 August 2009 – the JVCs are constituted by shareholders that were acquirers of the multiplex transmission service

⁴ Australian Competition & Consumer Commission, *Assessment of undertakings in relation to digital radio multiplex transmission services*, Final Decision, March 2009, page 65.

- the proposed post-tax WACC of 7.5% was not subject to any disputes between JVCs and access seekers in the 2009-2010 financial year under to Schedule 3 of the access agreement
- the use of a lower WACC, particularly as an interim measure, did not have any negative impact on competitive investment (which is a risk associated with access prices that are set at artificially low levels), given that investment possibilities in digital radio multiplex infrastructure and related downstream markets are strictly limited by the licensing framework that exists under the Radiocommunications Act.
- It is important to note that determining a WACC based on the applicable criteria is not a straightforward activity. For example, given the nascent stage of digital radio services in Australia and the limited number of comparable businesses both domestically and internationally, it was not readily possible for the JVCs to determine their own WACC by reference to the WACC used by other operators of digital radio multiplex infrastructure within the period leading up to the setting of access fees for the financial year.

The JVCs commenced work towards the end of the financial year to achieve full compliance with clause 3.4(c) of Schedule 2 of the access agreement. As part of this work, it has been necessary for the JVCs to adopt a broader definition of what constitutes a similar enterprise conducting a similar business for the purpose of determining its WACC, given the lack of comparable digital radio multiplex businesses.

In particular, in April 2010, the JVCs retained Competition Economists Group (**CEG**), an economic consultancy, to recommend an appropriate WACC.

CEG has been instructed to develop a WACC recommendation based on the criteria in clause 3.4(c)(i) of Schedule 2 of the Access Agreement.

On 20 December 2010, the JVC boards agreed to adopt a post-tax WACC of 11.01%. The revised WACC will be applied from 1 April 2011, which represents the commencement of the next applicable billing period that would apply after the completion of the consultation process envisaged under clause 5.2 of Schedule 2 of the access agreement.

1.7 Calculation of access fees

Clause 4.1 of Schedule 2 of the access agreement provides that the JVCs will levy fixed recurring charges based on the amount of multiplex capacity allocated to an access seeker, regardless of whether such capacity is used.

Clause 4.2 establishes a formula for the conversion of the JVCs annualised costs into an annual fixed recurring charge, based on the following formula:

$$\text{AFRC} = \text{AC} \times \text{BMC}/\text{TMC}$$

Where:

AFRC is the annual fixed recurring charge.

AC is the annualised costs derived under section 3.

BMC is the amount of multiplex capacity allocated to the relevant access seeker

TMC is the total amount of multiplex capacity allocated to all access seekers by the JVC.

The access fees payable by access seekers (pro-rated) for the first half of the 2009-2010 financial year for standard access entitlements is set out below.

These figures do not take account of adjustments made on 1 January 2010 following the allocation of excess capacity access entitlements, which are described in section 3.3 below:

BSA Radio Area	Access Seekers	Access Fee (for 128 Kbps)
1. Adelaide	5AD Broadcasting Company Pty Limited	\$118,817
	Austereo Pty Limited	\$118,817
	Festival City Broadcasting Pty Limited	\$118,817
	Nova 91.9 Pty Limited	\$118,817
	Southern State Broadcasters Pty Limited	\$118,817
	Triple M Adelaide Pty Limited	\$118,817
	Total	\$712,902
2. Brisbane (Channel 9A and 9B)	ARN Communications Pty Limited	\$126,706
	Brisbane FM Radio Pty Limited	\$126,706
	Broadcasting Station 4IP Pty Limited	\$126,706
	Nova 106.9 Pty Limited	\$126,706
	Radio 4BH Brisbane Pty Limited	\$126,706
	Radio 4BC Brisbane Pty Limited	\$126,706
	Today FM Brisbane Pty Limited	\$126,706

BSA Radio Area	Access Seekers	Access Fee (for 128 Kbps)
	Triple M Brisbane Pty Limited	\$126,706
	Total	\$1,013,647
3.Melbourne (Channel 9A and 9B)	3UZ Pty Limited	\$103,160
	Arn Broadcasting Pty Limited	\$103,160
	Austereo Pty Limited	\$103,160
	Double T Radio Pty Limited	\$103,160
	Malbend Pty Limited	\$103,160
	Nova 100 Pty Limited	\$103,160
	Radio 1278 Melbourne Pty Limited	\$103,160
	Radio 3AW Melbourne Pty Limited	\$103,160
	Triple M Melbourne Pty Limited	\$103,160
	Classic Rock 91.5FM Pty Limited	\$103,160
	Victorian Radio Network Pty Limited	\$103,160
	Total	\$1,134,760
4.Perth	Consolidated BC Sys WA	\$120,209
	Perth FM Radio Pty Ltd	\$120,209
	DMG Radio Perth Pty Ltd	\$120,209
	Radio Perth Pty Ltd	\$120,209
	Radio 96FM	\$120,209
	Radio 6PR Perth Pty Ltd	\$120,209
	Total	\$721,254
5.Sydney	2KY Broadcasters Pty Limited	\$101,492
	ARN Communications Pty Limited	\$101,492
	Commonwealth Broadcasting Pty Limited	\$101,492
	Harbour Radio Pty Limited	\$101,492

BSA Radio Area	Access Seekers	Access Fee (for 128 Kbps)
	Nova 96.9 Pty Limited	\$101,492
	Radio 2CH Pty Limited	\$101,492
	Radio 2SM Pty Limited	\$101,492
	Radio 2UE Sydney Pty Limited	\$101,492
	Today FM Sydney Pty Limited	\$101,492
	Triple M Sydney Pty Limited	\$101,492
	Classic Rock 95.3 FM Pty Limited	\$101,492
	Total	\$1,116,414

The JVCs consider that the access fees have been calculated in accordance with the pricing principles within the access agreement. Further, as the above table demonstrates, the access fees payable by access seekers for the same amount of multiplex capacity within a BSA radio area have been non-discriminatory.

1.8 Adjustments to access fees based on changes to the amount of multiplex capacity being acquired

The access fees payable by access seekers were adjusted in the second half of the financial year following the allocation of excess-capacity access entitlements to content service providers (see section 3).

The revised access fees payable by content service provider from 1 January 2010 to 30 June 2010 are set out in section 3.3 below.

1.9 Calculation of access fees for lower bit rate services

Clause 4.4 of Schedule 2 of the access agreement provides that if the JVCs supply multiplex capacity at a lower bit rate than that provided to other access seekers, the JVCs are then entitled to factor into the fees payable by these access seekers any additional costs associated with the provision of lower bit rate services, including additional line cards and other equipment that is required to supply the service at that lower bit rate.

While the JVCs allocated excess-capacity access entitlements during the 2009-2010 financial year at lower bit rates than the standard 128 kbps configuration (e.g. at 32 kbps and 64 kbps), the JVCs did not seek to recover any specific costs from access seekers in respect of the provision of these lower bit rate services.

Accordingly, clause 4.4 of schedule 2 of the access agreement did not apply over the 2009-2010 financial year.

1.10 Provision of Initial Price List

Clause 5.1 of Schedule 2 of the access agreement requires the JVCs to provide access seekers with an initial price list that sets out the fixed recurring charges that are payable. The obligation to provide the initial price list arises on the date that the access agreement takes effect.

This obligation is complemented by clause 5.2 of Schedule 2, which requires the JVC to provide access seekers with more granular data to allow for the verification of the fixed recurring charges.

Nearly all access agreements took effect on 30 June 2009, although a limited number of access agreements took effect earlier on 5 June 2009.

However, the calculations of the access fees were not finalised until 28 August 2009.

Accordingly, the delay in finalising the access fees meant that the JVCs were unable to provide access seekers with initial price lists in accordance with clause 5.1 of Schedule 2.

The JVCs do not consider that this issue had any material adverse impact on access seekers.

In particular:

- the oversight was non-substantive in nature
- no access fees were payable by access seekers prior to the finalisation of the budgets for the 2008-2009 financial year on 28 August 2009
- access seekers (in their capacity as shareholders of the JVC) were given immediate visibility of the access fees through their participation at the JVC board level, thereby effectively obtaining the benefit of the disclosure required under clauses 5.1 and 5.2
- there were no digital community broadcasters that had taken up standard access entitlements at that time, meaning that disclosure to access seekers through the JVC board did not raise any information asymmetry issues in favour of access seekers that had shareholdings in the JVC.

1.11 Review of the access fees

The access fees were not subject to review in the 2009-2010 financial year. Clause 5 of Schedule 2 of the access agreement did not apply during this period.

The level of the access fees payable by access seekers were adjusted as a consequence of the allocation of excess-capacity access entitlements following the completion of the auction process in November 2009. However, these changes were made pursuant to clause 4.3 of Schedule 2 and did not trigger the operation of the review process in clause 5.

2 Compliance with standard access obligations

Section 118NL of the Radiocommunications Act imposes standard access obligations on the JVCs, which in turn require the JVCs to supply multiplex capacity to those content service providers that hold standard access entitlements.

The process for the implementation of standard access entitlements is set out in section 118NQ of the Radiocommunications Act. Clause 6.3 and 6.4 of the access agreement provide the contractual basis for the implementation of these legislative requirements.

The JVCs have made standard access entitlements available to incumbent commercial broadcasters pursuant to section 118NQ of the Radiocommunications Act and clause 6.3 of the access agreement.

The JVCs did not allocate any standard access entitlements to digital community broadcasters in the 2009-2010 financial year. While the JVCs and the community broadcasting sector (represented by the CBAA) took steps towards the end of the financial year to enter into arrangements that would allow digital community broadcasters to take up these entitlements, these arrangements were not concluded during the financial year. However, these arrangements provide for digital community broadcasters to take up standard access entitlements during the course of the 2010-2011 financial year.

The Radiocommunications Act also requires that the JVCs reserve two-ninths of multiplex capacity under each digital radio multiplex transmitter licence for digital community broadcasters that are nominated by the digital community radio broadcasting representative company to claim the standard access entitlement.⁵ The JVCs have also met this requirement.

A detailed breakdown of the fractions of multiplex capacity that have been allocated to individual access seekers as standard access entitlements in the 2009-2010 financial year is set out in Attachment 4.

The JVCs have made available standard access entitlements to all incumbent commercial broadcasters that are entitled to obtain multiplex capacity in the designated BSA radio area. Accordingly, the JVCs are not aware of any non-compliance with their standard access obligations for the 2009-2010 financial year.

⁵ Radiocommunications Act, section 118NR(2). See also, clause 6.4(b) of access agreement.
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3 Compliance with excess-capacity access obligations

3.1 Excess-capacity access obligation

Section 11NM of the Radiocommunications Act imposes excess-capacity access obligations on JVCs, which in turn require the JVCs to supply multiplex capacity to those content service providers that hold excess-capacity access entitlements acquired in accordance with section 118NT of the Radiocommunications Act.

Clause 7 of the access agreement provides the contractual basis for the implementation of the excess-capacity access entitlements.

The JVCs have made excess-capacity access entitlements available to incumbent commercial broadcasters pursuant to section 118NT of the Radiocommunications Act and clause 7 of the access agreement.

The key elements of section 118NT of the Radiocommunications Act that applied to the JVCs in the 2009-2010 financial year are as follows:

- if there was excess multiplex capacity available in a designated BSA radio area on the digital radio start up day (i.e. 1 July 2009⁶), the JVCs had to ascertain the level of demand for that excess capacity from content service providers within 90 days of the digital radio start up day
- if the level of demand for excess-capacity access entitlements exceeds the amount of available multiplex capacity, the JVCs must use an open and transparent auction process to determine allocation of excess capacity access entitlements
- the JVCs must conduct an auction at the end of the 60 day period beginning on the day on which the demand from interested content service providers is ascertained.

In addition to these legislative obligations, clause 7.6 of the Access Agreement imposes some additional parameters in respect of the auction process:

- the excess multiplex capacity must be allocated using a market-based allocation system
- all bids and related information received from interested content services providers must be treated as confidential information
- the successful content service provider must pay the auction fee for the excess capacity access entitlement within 30 days of the date of the auction process

⁶ Australian Communications and Media Authority, *Media Release: ACMA announces 1 July 2009 as digital radio start-up day*, 26 June 2009. See, http://www.acma.gov.au/WEB/STANDARD/pc=PC_311779

- excess capacity access entitlement will commence on the date of payment of the applicable auction fee, thereby enlivening section 118NT(8)(b) of the Radiocommunications Act.

3.2 Assessment of compliance

On 28 August 2009, the JVCs sought expressions of interest from content service providers who are entitled to access the excess capacity access entitlements to provide content services within each designated BSA radio area⁷. These expressions of interest were sought within the 90 day period after the digital radio start up day for each designated BSA radio area.

The interest expressed by content service providers in each designated BSA radio area during this consultation demonstrated that demand for excess-capacity access entitlements exceeded supply. This obliged the JVCs to develop auction rules and to conduct an auction for the allocation of the excess capacity.⁸

The following table sets out the level of interest that was expressed by content service providers for excess multiplex capacity versus the available amount:

Designated BSA Area	Requested Capacity	Available Capacity
Adelaide	688 Kbps	128 Kbps
Brisbane 9A	405.33 Kbps	384 Kbps
Brisbane 9B	661.33 Kbps	384 Kbps
Melbourne 9A	640 Kbps	256 Kbps
Melbourne 9B	832 Kbps	128 Kbps
Perth	672 Kbps	128 Kbps
Sydney 9A	1600 Kbps	256 Kbps
Sydney 9B	704 Kbps	128 Kbps

The JVCs held an auction for the allocation of excess multiplex capacity, on 27 November 2009 (i.e. 60 days from receipt of the level of demand for excess capacity spectrum by content service providers, on 28 August 2009).

The JVCs retained a number of specialist external advisors to assist in the design of the auction process and the conduct of the auction. This included:

- Webb Henderson, the external legal advisor to the JVCs, to develop:

⁷ Section 118NT(2) of the Radiocommunications Act.

⁸ Section 118NT(6) of the Radiocommunications Act.

- an options paper on the design of key elements of the auction
- legally binding rules to govern the auction process
- Competition Economists Group (CEG), the economic advisor to the JVCs, to independently determine whether a reserve price should be set, and if so, the amount of that reserve price
- Bonhams & Goodman, an auction house, to conduct and manage the auction on behalf of the JVCs in accordance with the Auction Rules, including bidder registration and the invoicing and payment of auction fees by successful bidders.

A copy of the Options Paper (Attachment 5 [C-I-C]), Auction Rules (Attachment 6) and Reserve Price Report (Attachment 7 [C-I-C]) are provided.

In summary, key elements of the auction design decided by the JVC included:

- an open sequential ascending auction (i.e. English open-cry) format was to be used, after it was considered that other options, such as an open ascending simultaneous multiple round auction, could not be effectively implemented within the 60 day time period
- excess spectrum was auctioned off in individual lots of 32 Kbps, except for Brisbane where the auction included individual lots of 32 Kbps and 64 Kbps
- those BSA radio areas with higher levels of excess spectrum capacity available were auctioned first and where the amount of excess spectrum capacity available was identical across two BSA radio areas (e.g. in Sydney, Melbourne, Perth and Adelaide), the smaller populated markets were auctioned off first
- the reserve price was independently set and made publicly available to avoid information asymmetry issues in favour of potential bidders that were shareholders in the JVCs.

As noted above, the reserve price for excess capacity was set independently by CEG and took account of the legislative framework under the Radiocommunications Act.

The reserve price was made available to all potential bidders to ensure information symmetry between all potential bidders, regardless of whether they were shareholders of the JVCs.

The reserve price for each lot of excess multiple capacity was as follows:

BSA Radio Area	Each 32 Kbps Excess Capacity Lot	Each 64 Kbps Excess Capacity Lot
Adelaide	AUD \$ 17,250	Not applicable
Brisbane	AUD \$ 34,500	AUD \$ 69,000
Melbourne	AUD \$ 67,000	Not applicable

Perth	AUD \$ 69,500	Not applicable
Sydney	AUD \$ 96,500	Not applicable

3.3 Results of the auction

On 27 November 2009, the vast majority of the available excess capacity access entitlements in all relevant BSA radio areas (except for 128 kbps of multiplex capacity in Brisbane (Channel 9B)) were successfully auctioned off. The successful bidders for the excess multiplex capacity in each designated BSA radio area and the amount payable for each lot is set out in Attachment 8.

According to the requirements of the Radiocommunications Act and the access agreement, the successful bidders for excess spectrum were required to pay the applicable auction fee by 28 December 2009 (i.e. within 30 days of completion of the auction process). All payments were received from the successful bidders by the due date.

Following completion of the auction, the access fees were revised on 1 January 2010 to reflect the changes in allocations in multiplex capacity following the auction. The following figures set out the original and amended access fees in each BSA radio area:

Designated BSA radio area	Original annual access fee (based on 32 kbps fractions)	Amended annual access fee (based on 32 kbps fractions)
Perth	AUD \$30,052	AUD \$25,759
Melbourne	AUD \$25,790	AUD \$20,264
Adelaide	AUD \$29,704	AUD \$25,461
Sydney	AUD \$25,373	AUD \$19,936
Brisbane	AUD \$31,676	AUD \$19,493

These adjustments were made in accordance with clause 4.3 of Schedule 2 of the Access Agreement, which requires the JVCs to adjust the standard charges to take account of any increase or decrease in the amount of multiplex capacity allocated to all Access Seekers.

3.4 Use of auction proceeds

A condition of a category 1 digital radio multiplex transmitter licence⁹ provides that the JVCs must not apply the net proceeds of an auction under section 118NT(6) of the Radiocommunications Act except to:

- promote the digital radio broadcasting platform in Australia
- discharge a liability of the JVC to pay a fee or charge in relation to the maintenance or operation of the account
- discharging a liability incurred by the JVC in connection with the auction.

The JVCs are not aware of any non-compliance with the requirements of the Radiocommunications Act in respect of the use of the proceeds from the auction for excess multiplex capacity.

The auction yielded a total of \$7,008,500 for excess multiplex capacity available in all BSA radio areas. So far, the JVCs have used the proceeds of the auction, as follows:

- to cover costs of carrying out the auction, such as legal and consultant fees
- to promote the digital radio broadcasting platform in Australia by addressing coverage 'blackspots' that exist in some BSA radio areas.

4 Compliance with non-discrimination obligation

Section 118NP of the Radiocommunications Act prohibits discrimination by the JVCs between content service providers that have access to multiplex capacity in relation to the following:

- the technical and operational quality of the services supplied to the content service providers; and
- the technical and operational quality and timing of the fault detection, handling and rectification supplied to the content service providers.

This obligation is also reflected in clause 9.3 of the access agreement.

The JVCs are not aware of any non-compliance with their non-discrimination requirements. In particular, the JVCs have supplied the multiplex transmission service on an identical basis to all access seekers from a technical and operational quality perspective, including in respect of fault detection, handling and rectification.

This covers the supply of both standard access entitlements and excess-capacity access entitlements.

⁹ Under section 109C (2) of the Radiocommunications Act.
Digital Radio Joint Venture Companies

5 Changes to membership

There were no changes to the membership of any of the JVCs during the 2009-2010 financial year.

The membership of the JVCs (including the percentage of shareholdings) is set out in Attachment 9.

6 Authorisation of third party users

Section 114(1) of the Radiocommunications Act provides that the JVCs may, by written instrument, authorise a third party to operate radiocommunications devices under the licence.

During the 2009-2010 financial year, the JVCs have not authorised any third parties to operate radiocommunications devices, under this section.

Attachment 1 – List of JVCs submitting this annual report

This annual report for 2008-2009 has been submitted by the following entities:

- Digital Radio Broadcasting Adelaide Pty Ltd (ACN 128 742 772) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901330
- Digital Radio Broadcasting Brisbane Pty Ltd (ACN 1280742 950) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901423 and 1901424
- Digital Radio Broadcasting Melbourne Pty Ltd (ACN 128 742 898) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901421 and 1901422
- Digital Radio Broadcasting Perth Pty Ltd (ACN 128 742 638) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901331
- Digital Radio Broadcasting Sydney Pty Ltd (ACN 128 742 978) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901419 and 1901420.

Attachment 2 – Table of compliance

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
Compliance with access undertaking during financial year			
Operational manual	<p>Clause 2.2(a) of access agreement – JVC must develop an operational manual in consultation with all access seekers to deal with operational and technical matters that arise under the agreement, or in connection with supply of multiplex transmission service</p> <p>Clause 2.2(b) of access agreement – in developing the operational manual, JVC is required to:</p> <ul style="list-style-type: none"> - establish a process of consultation with all access seekers - undertake consultation with all access seekers in good faith - use its reasonable endeavours to accommodate any reasonable requests that may be made by an access seeker during consultation process in respect of the development or contents of the operational manual 	<p>Compliant – obligation not time sensitive</p> <p>Compliant</p>	<p>Not applicable</p> <p>Not applicable</p>
Financial security	Clause 3 of Attachment A of the access agreement and clause 14 of the main body –JVC may require that Access Seeker provide financial security	Not applicable	Not applicable
Supply obligations			
General supply obligation	Clause 9.1 of the access agreement – requires the JVC to supply access to the multiplex transmission capacity in accordance with the access agreement	Compliant	Not applicable

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
No hindering of access	Clause 9.2 of the access agreement – prevents a JVC from hindering access by access seekers to the multiplex capacity	Compliant	Not applicable
Non-discrimination	<p>Clause 9.3 of the access agreement – prevents the JVC from discriminating against any access seeker in respect of:</p> <ul style="list-style-type: none"> - technical and operational quality of the multiplex transmission service - technical and operational quality of the fault detection, handling and rectification 	Compliant	Not applicable
Efficient recovery of costs	<p>Clause 3.3 of Schedule 2 of access agreement – in determining the prices, the JVC must recover no more than its “Efficient Costs”</p> <p>Clause 3.2 and clause 3.3 of Schedule 2 of access agreement – sets out the specific types and categories of costs that are allowably recoverable under the “Efficient Costs” principle, including:</p> <ul style="list-style-type: none"> - capital expenditure - operating expenditure - corporate overheads. 	Compliant	Not applicable
WACC	Clause 3.4(c)(i) of Schedule 2 of access agreement – WACC must be commensurate with the WACC of similar enterprises conducting similar businesses, with a similar risk profile and at a similar phase of their business cycle	Not compliant – not finalised in time	<p>No material adverse impact.</p> <p>Compliance achieved in 2010-2001 financial year.</p>
Calculation of access fees	Clause 4.1 and 4.2 of Schedule 2 of access agreement – requires the JVC to calculate access fees in specified manner	Compliant	Not applicable

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
Changes in access fees based on total amount of multiplex capacity being acquired	Clause 3.4(c)(i) of Schedule 2 of access agreement – if the total amount of multiplex capacity allocated to all access seekers increases or decreases within a billing period, charges payable are to be proportionally adjusted upwards or downwards from the date of the relevant increase or decrease.	Compliant	Not applicable
Lower bit rate	Clause 4.4 of Schedule 2 of access agreement – if an access seeker acquires lower bit rate services, the JVC may recover any specific costs in providing a lower bit rate service from that access seeker	Not applicable	Not applicable
Provision of initial price list	Clause 5.1 of Schedule 2 of access agreement – requires the JVC to supply access seekers with an initial price list that details the fixed recurring charges upon the Effective Date (i.e. date of execution by both parties)	Not compliant – access fees not finalised by Effective Date	No material adverse impact
Review of access fees	Clause 5.2 of Schedule 2 of access agreement – provides process that JVC must comply with if it wishes to review the level of access charges payable	Not applicable	Not applicable
Compliance with standard access entitlements during financial year			
Standard access entitlements	Section 118NL of Radiocommunications Act – requires the JVC to supply content service providers with their standard access entitlements. This is implemented under clause 6 of the access agreement. Section 118NQ(2) of Radiocommunications Act – sets out the way by which an incumbent commercial broadcaster may request access, and the JVC is required to supply access to their standard access entitlement on the multiplex.	Compliant Compliant	Not applicable Not applicable
Reservation of	Section 118NR(2) of Radiocommunications	Compliant	Not applicable

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
multiplex capacity for digital community broadcasters	Act – requires the JVC to reserve two-ninths of the capacity on the multiplexer for the community digital radio broadcasters. This is implemented under clause 6.4 of the access agreement.		
Compliance with excess capacity access obligations during financial year			
Initial process for allocation of excess capacity access entitlements	Section 118NT(1) of Radiocommunications Act – excess multiplex capacity exists if, either on the digital radio start-up date or anytime during the 12 months after the digital radio start-up date, available multiplex capacity exceeds the total of the standard access entitlements allocated (or reserved) for commercial and community broadcasters Clause 7.3 of the access agreement implements requirement .	Compliant	Compliant
Ascertaining demand for excess multiplex capacity	Section 118NT(2) of Radiocommunications Act – if there is excess multiplex capacity, the JVC must, within 90 days of the digital radio start up date, provide a notice to ascertain interest from access seekers, giving them 30 days notice to express their interest. Clause 7.4(a) of the access agreement implements this requirement.	Compliant	Compliant
Conduct of auction where demand exceeds supply	Section 118NT(6) of Radiocommunications Act – if demand exceeds the available multiplex capacity, the JVC must conduct an open and transparent auction process within the 60 day period beginning on the day the JVC sought out interest from access seekers	Compliant	Compliant
Further rules are auction process	<p>Clause 7.6 of access agreement – requires the JVC to ensure:</p> <ul style="list-style-type: none"> - the auction is conducted in an open and transparent manner - the excess multiplex capacity is allocated using a market-based 	Compliant	Compliant

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
	<p>allocation system</p> <ul style="list-style-type: none"> - all bids and information received from interested service providers are treated confidentially - the auction is conducted within the statutory 60 day period beginning on the day the JVC sought interest from interested service providers 		
Timing of creation of excess-capacity access entitlement	<p>Section 118NT(7) of Radiocommunications Act – governs the date on which the excess capacity access entitlement takes effect following the completion of an auction.</p> <p>Clause 7.6(d) of the access agreement implements this requirement</p>	Compliant	Compliant
Use of auction proceeds	<p>Section 109C(2) of Radiocommunications Act – the JVC must only use the proceeds from the auction:</p> <ul style="list-style-type: none"> - to promote the digital radio broadcasting platform in Australia - discharge the liability of the licensee to pay a fee or charge - discharge a liability incurred by the licensee in connection with the auction. <p>Clause 7.6(g) of the access agreement implements this requirement.</p>	Compliant	Not applicable
Compliance with non-discrimination obligation under section 118NP of Radiocommunications Act			
Non-discrimination	<p>Section 118NP of Radiocommunications Act – prohibits the JVC from discriminating between access seekers on:</p> <ul style="list-style-type: none"> - technical and operational quality of services supplied to content service providers 	Compliant	Compliant

Issue	Key legislative or regulatory requirement	JVC compliance	Impact of non-compliance
	<ul style="list-style-type: none">- technical and operational quality and timing of fault detection, handling, rectification supplied to content service providers <p>Clause 9.3 of the access agreement implements this requirement.</p>		

Attachment 3 – Overview of key infrastructure and service contracts [C-I-C]

Attachment 4 – Standard Access Entitlements for 2009-2010

BSA Radio Area	Access Seeker	Multiplex Capacity (1/9 equivalent to 128 Kbps)	
1. Adelaide	Austereo Pty Ltd	1/9	
	Triple M Adelaide	1/9	
	Nova 91.9 Pty Ltd	1/9	
	Festival City BC	1/9	
	Southern State BC	1/9	
	5AD Broadcasting	1/9	
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>	
	Excess Capacity – all allocated	1/9	
	Total Multiplex Capacity	9/9	
2. Brisbane (Channel 9A)	Today FM Brisbane (9A)	1/9	
	Triple FM Brisbane (9A)	1/9	
	Nova 106.9 Pty Limited (9A)	1/9	
	ARN Comms Pty Limited (9A)	1/9	
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>	
	Excess Capacity – all allocated	3/9	
		Total Multiplex Capacity	9/9
	3. Brisbane (Channel 9B)	Brisbane FM Radio (9B)	1/9
Broadcasting Station 4IP (9B)		1/9	
Radio 4BH Brisbane (9B)		1/9	
Radio 4BC Brisbane (9B)		1/9	
Digital Community		<i>(2/9 reserved)</i>	

BSA Radio Area	Access Seeker	Multiplex Capacity (1/9 equivalent to 128 Kbps)
	Broadcasters – no allocation	
	Excess Capacity – all allocated except 1/9	3/9
	Total Multiplex Capacity	9/9
4. Melbourne (Channel 9A)	Triple M Melbourne	1/9
	Austereo Pty Ltd	1/9
	Nova 100 Pty Ltd	1/9
	Vega 91.5 Pty Ltd	1/9
	Double T Radio	1/9
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>
	Excess Capacity – all allocated	2/9
	Total Multiplex Capacity	9/9
5. Melbourne (Channel 9B)	ARN BC Aust Pty Ltd	1/9
	3UZ	1/9
	Vic Radio Network	1/9
	Malbend Pty Ltd	1/9
	Radio 3AW Melbourne	1/9
	Radio 1278 Pty Ltd	1/9
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>
	Excess Capacity – all allocated	1/9
	Total Multiplex Capacity	9/9
6. Perth	Consolidated BC Sys WA	1/9
	Perth FM Radio Pty Ltd	1/9
	DMG Radio Perth Pty Ltd	1/9

BSA Radio Area	Access Seeker	Multiplex Capacity (1/9 equivalent to 128 Kbps)
	Radio Perth Pty Ltd	1/9
	Radio 96FM	1/9
	Radio 6PR Perth Pty Ltd	1/9
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>
	Excess Capacity – all allocated	1/9
	Total Multiplex Capacity	9/9
7. Sydney (Channel 9A)	Today FM Sydney	1/9
	Triple M Sydney	1/9
	Nova 96.9	1/9
	Vega 95.3	1/9
	Commonwealth BC Corp	1/9
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>
	Excess Capacity – all allocated	2/9
	Total Multiplex Capacity	9/9
8. Sydney (Channel 9A)	ARN Communications	1/9
	2KY 1017 AM	1/9
	Radio 2SM	1/9
	Radio 2UE	1/9
	Radio 2CH	1/9
	Harbour Radio	1/9
	Digital Community Broadcasters – no allocation	<i>(2/9 reserved)</i>
	Excess Capacity – all allocated	2/9
	Total Multiplex Capacity	9/9

Attachment 5 – Paper on auction design options for the allocation of excess capacity access entitlements [C-I-C]

Attachment 6 – Auction Rules

Attachment 7 – Reserve Price Report [C-I-C]

Attachment 8 – Results of auction of excess-capacity access entitlements

Attachment 9 – JVC membership for 2009-2010 financial year¹⁰

Digital Radio Broadcasting Adelaide Pty Ltd	Number of shares	Shareholding percentage
5AD Broadcasting Company Pty Limited	13,000	16.66%
Austereo Pty Limited	13,000	16.66%
Festival City Broadcasting Pty Limited	13,000	16.66%
Nova 91.9 Pty Limited	13,000	16.66%
Southern State Broadcasters Pty Limited	13,000	16.66%
Triple M Adelaide Pty Limited	13,000	16.66%
Total	78,000	100%

Digital Radio Broadcasting Brisbane Pty Ltd	Number of shares	Shareholding percentage
ARN Communications Pty Limited	10,000	12.50%
Brisbane FM Radio Pty Limited	10,000	12.50%
Broadcasting Station 4IP Pty Limited	10,000	12.50%
Nova 106.9 Pty Limited	10,000	12.50%
Radio 4BH Brisbane Pty Limited	10,000	12.50%
Radio 4BC Brisbane Pty Limited	10,000	12.50%
Today FM Brisbane Pty Limited	10,000	12.50%
Triple M Brisbane Pty Limited	10,000	12.50%
Total	80,000	100%

¹⁰ Please note that shareholdings have been rounded to 2 decimal places.

Digital Radio Broadcasting Melbourne Pty Ltd	Number of shares	Shareholding percentage
3UZ Pty Limited	7,000	9.09%
ARN Broadcasting Pty Limited	7,000	9.09%
Austereo Pty Limited	7,000	9.09%
Double T Radio Pty Limited	7,000	9.09%
Malbend Pty Limited	7,000	9.09%
Nova 100 Pty Limited	7,000	9.09%
Radio 1278 Melbourne Pty Limited	7,000	9.09%
Radio 3AW Melbourne Pty Limited	7,000	9.09%
Triple M Melbourne Pty Limited	7,000	9.09%
Classic Rock 91.5FM Pty Limited	7,000	9.09%
Victorian Radio Network Pty Limited	7,000	9.09%
Total	77,000	100%

Digital Radio Broadcasting Perth Pty Ltd	Number of shares	Shareholding percentage
Consolidated Broadcasting System (W.A.) Pty Limited	13,000	16.67%
DMG Radio (Perth) Pty Limited	13,000	16.67%
Perth FM Pty Limited	13,000	16.67%
Radio 6PR Pty Limited	13,000	16.67%
Radio 96FM Perth Pty Limited	13,000	16.67%
Radio Perth Pty Limited	13,000	16.67%
Total	78,000	100%

Digital Radio Joint Venture Companies

Digital Radio Broadcasting Sydney Pty Ltd	Number of shares	Shareholding percentage
2KY Broadcasters Pty Limited	342,425	9.27%
ARN Communications Pty Limited	416,964	11.29%
Commonwealth Broadcasting Pty Limited	416,964	11.29%
Harbour Radio Pty Limited	7,000	0.19%
Nova 96.9 Pty Limited	416,964	11.29%
Radio 2CH Pty Limited	7,000	0.19%
Radio 2SM Pty Limited	416,964	11.29%
Radio 2UE Sydney Pty Limited	416,964	11.29%
Today FM Sydney Pty Limited	416,964	11.29%
Triple M Sydney Pty Limited	416,964	11.29%
Classic Rock 95.3 FM Pty Limited	416,964	11.29%
Total	3,692,137	100%