

24 April 2018

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
23 Marcus Clarke Street
CANBERRA ACT 2601

Dear Mr Sims

Network Ten (Ten) welcomes the Australian Competition and Consumer Commission's inquiry into Digital Platforms.

Ten is one of Australia's leading entertainment and news content companies, with assets across free-to-air television, online and digital platforms. It is owned by CBS Corporation, one of the world's leading media organisations.

Ten was directly engaged in and strongly supports the detailed submission made by Free TV Australia on behalf of the commercial free-to-air (FTA) television industry.

We would also welcome the opportunity to expand on the parts of this submission that are of particular concern to Ten, in particular the following issues:

- The diversion of advertising revenue to these dominant digital platforms away from newspapers, radio and television directly impacts the delivery of local, trusted, fair, accurate and impartial news content. Google and Facebook have captured more than half of all Australian advertising revenue in a little over a decade at least in part based on unsubstantiated and exaggerated claims around reach, viewability and effectiveness. They write their own standards and force advertisers to use their vertically integrated products to gain access to their platforms. This amounts to a distortion in the advertising market.
 - The ACCC must intervene to ensure that the competition for advertising revenue is occurring in a fair and effective manner.
 - In addition this inquiry must address the absence of independently verifiable metrics to provide reliable information on the true reach and viewability of advertising on the Facebook and Google platforms.

- Facebook and Google have also been able to take advantage of their almost completely unregulated status in competing with commercial television broadcasters, who remain the most heavily regulated media platform in Australia - from local content quotas, captioning obligations, advertising content restrictions, Code of Practice requirements, licence conditions and ownership restrictions. In many cases the regulations applicable to commercial television were conceived in the 1980's, when we were operating in a totally different competitive environment.
 - A reconsideration and modernisation of the full range of regulatory burdens and constraints on commercial television is now well overdue.
- Google and Facebook are not merely platforms, they are also media companies. They monetise content. However, unlike commercial television broadcasters that invest in the creation of content, Google and Facebook monetise content created by others, without meaningfully investing in its creation or licensing its use. These platforms may also earn significant revenue by facilitating access to illegal pirated content.
 - We need to ensure that the party that facilitates access to pirated material is liable for the loss to the rights holder.
- The scale of personal data collected and stored by Facebook and Google is now a significant barrier to entry. It has also given rise to serious concerns around privacy and misuse of that data.
 - The ACCC must seriously consider the need for greater transparency and controls around data collection and use.

Please contact Andrew Jackson, our Head of Government and Regulatory Affairs on 02 9650 1076 or apjackson@networkten.com.au if you have any questions in relation to Ten's involvement in this inquiry.

Yours sincerely



Annabelle Herd
Chief Operating Officer