

21 November 2008



Sarah Sheppard and David Cranston  
Communications Group  
Australian Competition and Consumer Commission  
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Dear Ms. Sheppard and Mr. Cranston,

**Re: Digital radio access regime – access undertaking**

ARN Communications Pty Ltd is a shareholder in both Digital Radio Broadcasting Sydney Pty Ltd (**EJVC**) and Digital Radio Broadcasting Brisbane Pty Ltd (**EJVC**) and has taken a strong interest in the development of the access undertaking for digital radio and its consideration by the ACCC.

ARN Communications Pty Ltd strongly supports the proposed access undertaking and considers that it should be approved by the ACCC in its current form.

ARN Communications Pty Ltd considers that the proposed access undertaking is consistent with:

- applicable terms of the Radiocommunications Act; and
- the ACCC's decision making criteria.

Under the framework for digital radio multiplex services established under the Radiocommunications Act, each EJVC will operate as a wholesale only business and will have a single stream of revenue from the supply of digital radio multiplex services to access seekers.

In order to ensure the financial viability of EJVCs and the supply of digital radio multiplex services on a sustainable basis, ARN Communications Pty Ltd wishes to emphasise that it is necessary to ensure that the proposed access undertaking allows for each EJVC to:

- fully recover their costs in providing multiplex capacity to access seekers; and
- achieve a normal commercial rate of return.



ARN Communications Pty Ltd considers that the access undertaking provides a strong basis for achieving these aims, while ensuring that access charges payable by access seekers are fair and reasonable. As each EJVC shareholder will also be an acquirer of multiplex capacity through the EJVC, each EJVC will face a strong incentive to minimise access charges and ensure that access is provided to all access seekers on a non-discriminatory basis.

Please do not hesitate to contact me if you have any questions.

Yours sincerely

*John Hamilton*

**John Hamilton  
Company Secretary  
ARN Communications Pty Ltd**