



Southern Broadcasters'
response to:

Proposal to vary the
Nowra licence area plan

(ACMA's Consultation paper,
January 2020)



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Acknowledgement

Southern Broadcasters would like to extend our appreciation to the Australian Communications and Media Authority for recognising the potential need for an additional licence in the Nowra RA1 licence coverage area.

We welcome and support the possibility of a new licence that provides equivalent coverage to the current service.

We recognise that significant due diligence needs to be undertaken by the ACMA in exploring the need for such a licence.

On behalf of our community, we thank you for commencing this work, and for the opportunity to comment.

About this document

In this document, we will:

- respond to each of the proposed changes to a Licence Area Plan; and
- provide comment on the community's interest in a new commercial radio service to the whole of the Nowra RA1 licence coverage area.

Background

The Nowra LAP has a single commercial radio licensee, and that licensee holds the only two commercial licences for the area.

The original license for 2ST was granted in 1972 followed by 2WSK (Power FM) in 1990, thirty years ago.

In the 30 years since that licence was granted, the LAP has changed significantly. Population growth alone sits at 34.69%¹, the number of businesses has increased, as have tourist numbers.

The Shoalhaven is a major tourist area and has the highest visitor rate for NSW regions outside of Sydney.

The growth in population, business and visitors means changing listener and advertiser needs and wants. Currently there is considerable listener and advertiser dissatisfaction with existing commercial stations. Reasons for this dissatisfaction include:

- A reduction in local news and information. While once programmed by local people with local knowledge, the incumbent has progressively lost its local focus, as interest from Sydney-based organisations increases. Consequently, the programs do not need the needs of the community.
- Lack of local content, in particular during times of emergency. The Shoalhaven is one of the most bushfire prone areas in NSW. The recent catastrophic Currowan bushfire raged through the Shoalhaven, spanning the entire region, spreading beyond each of its northern, southern and western borders. In the 74 days it was burning, it destroyed 312 homes and damaged 173 more. Coverage by the local stations was limited, and the community found themselves relying on the ABC and the local RFS communication channel to get time sensitive updates. Radio coverage is particularly pertinent when power and internet coverage is lost, as many people experienced during the recent fires. And when local radio cannot provide essential, and potentially life-saving updates, the community is left doubting the service's ability to meet its needs in times of emergency. What the community needs is a station with a commitment to switch programming to dedicated, around the clock emergency broadcasts.
- Excessive, monopolistic charges for the production of commercials
- Music based formats with no station that provides a news/talk format
- Lack of program diversity including:
 - no dedicated local sports show; and
 - local funeral announcements have been axed.
- Poor client relationship management, leading to companies ceasing radio advertising or advertising with community radio.

¹*Shoalhaven City Council, Economic Development department*

About us

Southern Broadcasters is a group of highly experienced broadcast media professionals and local Shoalhaven business owners.

The broadcast media professionals possess a broad range of relevant industry skills including senior level management, journalism and hosting.

Collectively, the business owners turn over \$50 million annually, representing a sizeable portion of the Shoalhaven economy.

All are locals, each having lived and operated businesses in the region for decades.

Our shareholders include:

Shareholder A

- 33 years in the region
- 45 years in commercial radio

Shareholder B

- 37 years in the region
- 49 years in commercial radio
- 2 years in community radio

Shareholder C

- 40 years in the region
- 3 years in commercial radio
- 5 years in community radio

Shareholder D

- 45 years in the region
- 45 years in the motor vehicle industry
- Dealer principal in new and used cars
- Property developer

Shareholder E

- 45 years in the region
- 45 years in the building industry
- Biggest project home builder in the Shoalhaven, building in excess of 100 homes a year

Shareholder F

- 22 years in the region
- Founder of the biggest electrical & air conditioning business in the region, which has been in operation for over 20 years
- Experienced in international banking

Shareholder G

- Over 20 years in the region
- 4 years of journalism experience
- 20 years in real estate
- Founder of the biggest real estate agency in the region, which has been in operation for 20 years
- Property developer

Our response to ACMA's Proposals

Proposal 1: Commercial radio – Nowra LAP

Proposed variation to existing service

We are in full support of all items in Proposal 1, in particular the extension of the service area to include Kiama.

Kiama is a small area, and being located between Wollongong and Nowra, is in a challenging position for the coverage of news and events.

We welcome this change to enable Kiama to receive the appropriate level of coverage of news and community events.

In addition, we warmly welcome the proposed changes to 91.7MHz to enable a larger coverage area, from Berry to Sussex Inlet.

Proposal for a new commercial radio broadcasting service

We are in full support of the proposal for a new commercial radio broadcasting service. Our rationale for this support is outlined below, in direct response to each of ACMA's considerations.

Is there reason to believe the Nowra market is underserved by comparison to other markets?

When compared with other regional LAPs with smaller populations than the Nowra LAP, Nowra – which has a population in excess of 170,000² – is undeniably underserved.

As such, new licences in regional markets is not without precedent, and we believe it is time to consider granting a new licence.

Examples of these markets include Albury, Dubbo and Bundaberg. It should be noted this is an indicative list, not an exhaustive list.

Nowra LAP

The Nowra LAP has 176,870² people and two licences.

Population of LAP		176,870 ²
Stations	Licencee	
2WSK 94.9 Power FM	Grant Broadcasters	
2ST	Grant Broadcasters	

Dubbo LAP

The Dubbo LAP has less than half the population of the Nowra LAP, and has three licences.

Population of LAP		73,447 ²
Stations	Licencee	
2DBO – Dubbo's Hit 93.5	Southern Cross Austereo	
2DU	Super Radio Network	
2ZOO – ZOO FM	Super Radio Network	

Bundaberg LAP

The Bundaberg LAP has approximately half the population of the Nowra LAP, and has three licences.

Population of LAP		86,482 ²
Stations	Licencee	
4BU – 1332AM	Grant Broadcasters	
4RUM – Hitz 939	Grant Broadcasters	
4RGB – Triple M Bundy 93.1	Southern Cross Austereo	

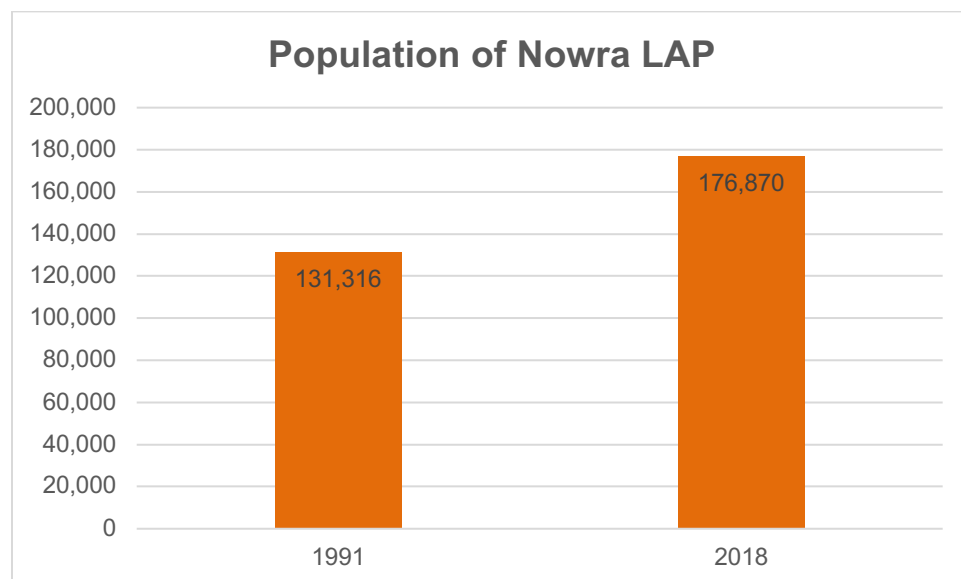
Albury LAP

The Albury LAP has 20,000 (16%) less people than the Nowra LAP, and has three licences.

Population of LAP		148,588 ²
Stations	Licencee	
2AY	ACE Radio Broadcasters	
2AAY The Border's Hit 104.9	Southern Cross Austereo	
2BDR The Border's 105.7 Triple M	Southern Cross Austereo	

²Population of each LAP based on Bureau of Statistics, August 2016 Census

In addition, the last licence was issued in 1990 – 30 years ago. The region’s population and demographics have changed dramatically since then.



1991 population data used as unable to source 1990 data.

With a 34.69% increase in population over the 30 years since the last licence was issued, the Nowra LAP is now a very different region, and consequently, has different needs.

Businesses are also spending more on advertising, with Australian businesses forecast to spend \$18.06 billion on advertising in 2020, compared with \$15.07 billion in 2015³ (data prior to 2015 not available). This is almost a 20% increase just in the last five years.

The majority of the Nowra LGA is also now far more accessible following the \$450 million Princes Highway upgrade, making the area more attractive for new residents, visitors, and economic investment. And this will only continue, once the Princes Highway upgrade is completed in 2022, and the \$340 million Nowra bridge project is completed in 2024⁴.

These significant improvements to our region mean that growth in population, business and tourism will undoubtedly continue. The underservice that the region is currently experiencing will continue, and likely, get worse.

³Advertising Spending in Australia, 2015-2020, [Statista Business Data](#), accessed 17/02/2020

⁴Princes Highway upgrade program, [RMS website](#), accessed 28/02/2020

Is there audience demand for a new commercial radio service and do potential listeners and advertisers believe such demand is sufficient to make such a service viable?

As members of the local community – both as listeners and business owners – the team behind Southern Broadcasters know that our community needs and deserves a commercial station with a local focus.

Specifically, this means:

- The commitment to provide dedicated coverage in times of emergency.
- The ability to follow through on this commitment. That is, on-air personalities and newsroom staff who are long term locals to the region. To truly be effective in times of emergency, a commercial radio station must have long term local staff who know and understand the towns and villages and can report on the real impacts. Knowing the impacts, both demographically and geographically, as well as having a 'black book' of key contacts enables superior reporting and coverage.
- A dedicated local newsroom that provides updates every half hour.
- More local content beyond news, that is community information on events and local happenings.
- Increased and improved advertising opportunities.
- A predominantly news/talk format.

Anecdotally, in talking with our community – and reviewing letters of support – members of our community beyond our team also share this view.

Captain Cris George, a former Commander in Australian military aviation, who lives locally, expressed his concern about bushfires and expected coverage from local commercial radio stations back in 2017⁵.

His concerns are mirrored by resident Steve Jones, following the Currowan bushfire. In his letter to ACMA, Mr Jones stated “I was shocked at the failure of the two stations to provide timely and accurate information at the height of the recent Catastrophic Currowan bushfire crisis. When the power goes out and the internet goes down local radio is the only source for what can be vital life-saving information in emergencies”.⁶

In Lake Conjola, which was isolated for days when highway access was cut off from the bushfires, residents lost power and internet access. Panicked residents were desperate for updates via radio – the only means of communication they had. A member of the Conjola Community Association said “I couldn’t wait for the commercial stations to stop the music and ads to get the fire updates. In my point of view the commercial station was useless during this time” and “ABC were doing continual updates of all the bushfires”.⁷

Ian Henry, long term resident and proprietor of the South Nowra Auto Group, has a unique perspective on how the community has shifted its attention away from the incumbent: “For many years now I have checked all vehicles coming through my service department each day, considering we service 150 cars per day, most radios are tuned into i98FM or 97.3 ABC. To me this is not good, as i98FM is a Wollongong based radio station. For this to occur, customers mustn’t be happy with 2ST/Power FM either. This is very concerning for our local business who choose to advertise on 2ST/Power FM”.⁸

The voice of many local businesses, the Shoalhaven Business Chamber, also welcomes the opportunity for competition in the commercial radio space. The President of the Chamber, Jemma Tribe, says “We have more than 6,500 businesses – many of whom advertise on radio and would welcome a competitive marketplace. The region currently has one only commercial radio operator based here and I believe our population base warrants another”.⁹

In addition, a third licence/new commercial station would also:

- Create the likelihood of surveying/ratings. This would mean we are able to truly understand what listeners want, as opposed to just anecdotal evidence.
- Provide local employment opportunities, an important benefit in a region with such high unemployment.
- Increase advertising capacity. In monitoring local community stations it appears that advertising content is at maximum capacity. Insufficient advertising capacity is doing a disservice to local businesses who seek to connect with their audience via radio advertising.

⁵Appendix 1 – Letter to The Hon. Shelley Hancock, MP, from Cris George

⁶Appendix 2 – Letter of support from Steve Jones

⁷Interview with member of the Conjola Community Association

⁸Appendix 3 – Letter of support from Ian Henry

⁹Appendix 4 – Letter of support from Jemma Tribe

Are any potential broadcasters interested in providing a commercial service in the Nowra RA1 service area?

Southern Broadcasters is a group of interested local broadcasting and business people with keen interest in obtaining a commercial broadcast licence in the Nowra RA1 service area.

As a prospective Nowra RA1 licensee, these are our points of difference:

1. Our 100% local shareholding. This ensures our commitment to providing a community-centric commercial radio station with a truly local focus.
2. A collective 97 years of experience in commercial radio, as well as several years in community radio. Our experience in community radio has given us further, current insight into what locals want.
3. Business proprietorship across a wide range of industries including manufacturing, new and used vehicle sales, real estate, electrical, building and property development.
4. An unwavering commitment to our community that investment, management and human resources would remain 100% local.
5. We would employ long term local on-air personalities. It would be our intent to find local people who know the region intimately, and we would mentor them to become on-air personalities.
6. We have already undertaken research to understand programming gaps that currently exist in the region, and we have received several letters of support.
7. We would base our content on further, extensive research to ensure we meet listener demand, and to determine format.
8. We have the required setup to commence broadcasting including a brand new, purpose-built studio (image 1) and a brand new, purpose-built live broadcast van (image 2).



Our purpose-built studio



Our purpose-built live broadcast van

Proposal 2: Community radio – Nowra LAP

We are in full support of Proposal 2.

Proposal 3: Minor amendments

We are in full support of all items in Proposal 3.

Summary

It is 30 years since the last commercial radio licence was granted in the Nowra LAP. Consequently, the region has changed significantly.

The community has changed, including significant growth in population, businesses and visitor numbers. Our commercial radio service needs to change with it.

However, it needs to be change that meets the community's needs.

The incumbent has certainly changed, but based on anecdotal feedback from the community, this change is not in line with what the community wants, needs or deserves.

A reduction in local content, increased interest from Sydney-based organisations, and on-air personalities who aren't long term locals are not the changes our community needs.

The community needs a commercial radio station that is truly local, and always puts listeners first. A community-centric radio station is one that evolves with the changing needs of a community, and it requires constantly staying on top of what locals want.

In particular, a stronger local focus is needed during times of emergencies such as bushfires and floods.

Our community has told us they are not satisfied with the incumbent, and they demand change.

They are ready for a new commercial station that meets the needs of its people on an everyday basis, and importantly, in times of emergency.

We thank ACMA for recognising the potential need for a third licence in the Nowra LAP, and for this opportunity to provide our support of this Proposal.

In the event a licence is granted, we look forward to the opportunity to tender for it, and to demonstrate our commitment to serving our community.

Contact details

Please direct all enquiries to:

Chance Hanlon
chanceh@hanlonwindows.com.au
0418 686 456

Appendices

- Appendix 1 – Letter to The Hon. Shelley Hancock, MP
- Appendix 2 – Letter support from Steve Jones
- Appendix 3 – Letter support from Ian Henry
- Appendix 4 – Letter support from Jemma Tribe
- Appendix 5 – Letter of support from Peter Russell
- Appendix 6 – Letter of support from Rajarshi Ray

Post Office Box 276
Nowra NSW 2541

The Hon Shelley Hancock MP
Ground Floor
38 Berry Street
NOWRA NSW 2541

SHOALHAVEN EMERGENCY COMMUNICATIONS IN THE EVENT OF A DISASTER

Dear Mrs Hancock,

1. Late 2016 I raised with your office the subject of emergency communications in the Shoalhaven. Initiated by the excellent pamphlet titled "Surviving Summer" from your office and based upon my own experiences and research during times when our primary means of communication were no longer available I presented a number of questions by the attached emails. I have no record that your office responded.

2. My main question remains as follows: **Does the current Shoalhaven Emergency Management Plan specify how local commercial radio and the ABC assist with providing advice to the public in accordance with the ACMA Code of Practice or other formal requirement?** This detail is missing from all policy and procedural documentation that I have access to. And the fact is that in recent emergency events including both flood and bushfire, power and communications (therefore computers, radio stations and telephone) have become inoperative. I sense that these service are now more fragile than perhaps just a few years ago because of innovations such as NBN, automatic pre-programmed/remoted radio stations, and centrally managed emergency services. Even mobile phones appear to be more demanding of battery life than previously and therefore are vulnerable to charging outage in the event of power failure. As you infer in your pamphlet the small portable radio remains the most dependable communications aid.

3. As we approach another possible flood and certain bushfire season I remain very concerned that there is actually no proven capacity to provide emergency advice by any means and in particular radio, to residents of the Shoalhaven in the event of an emergency.

4. I would be most grateful for a response to my question at the beginning of paragraph 2 above please.

Yours faithfully,
OSB

C.F. GEORGE
16 August 2017

Attachments:

1. C.F. George e mails of 23NOV2016, 9NOV2016,

12 February 2020

Mr Chance Hanlon
41 Bolong Road,
Bomaderry NSW 2541

Dear Chance,

I refer to my recent conversations with members of your group over plans to lodge a submission with the Australian Communications Management Authority in relation to possible changes to commercial radio services in the Shoalhaven, Wingecarribee and Kiama regions.

I have been a resident of the Shoalhaven region for well over 30 years.

In the last few years I have become extremely disappointed in the decline in the levels and quality of local news and current affairs content provided in the programs of 2ST and POWER FM.

I was shocked at the failure of the two stations to provide timely and accurate information at the height of the recent Catastrophic Currowan bushfire crisis.

When the power goes out and the internet goes down local radio is the only source for what can be vital life saving information in emergencies.

Upon reflection I believe the time has arrived for ACMA to seriously consider examining the need for an additional commercial licence in the region. When there is choice this presents organisations with motivation to improve services.

Yours sincerely



Steve Jones
PO Box 1598
Nowra NSW 2541

17th February 2020

The Manager
Broadcasting Carriage Policy Selection
Australian Communications and Media Authority
PO Box 78
Belconnen ACT 2616

Dear Sir,

I write to you today as a local of some 67 years, an employer of 130 staff, selling 7 franchises and being in business for 40 years here in the Shoalhaven. Over the years, I have watched with interest the local radio station 2ST/Power FM capture the majority of business in our region and the un-interesting direction they have taken with the audience. 2ST has become boring; no real local feel any more and Power FM just bangs on with music not of my era. For many years now I have checked all vehicles coming through my service department each day, considering we service 150 cars per day, most radios are tuned to i98FM or 97.3 ABC. To me this is not good, as i98FM is a Wollongong based radio station. For this to occur, customers mustn't be happy with 2ST/ Power FM either. This is very concerning for our local business who choose to advertise on 2st/ Power FM.

Over the years the district has changed. We have a large defence force base here now employing approximately 4000 staff and auxiliary people. The tourism is a very large employer to our region with Jervis Bay as an example to name one town of more than 82 towns and villages in the Shoalhaven. Our population has increased to 105,000 permanent residents and over the normal Christmas holiday season it increases up to 400,000! We are a very diverse group of people with the major population over 60 years and our youth unemployment at an all time high.

In my opinion, our present radio stations don't seem to properly connect with the people of the Shoalhaven. There have been changes in staff management, announcers, news editors and so on. The current owners are not a resident of the Shoalhaven and therefore do not connect with their audience. With very little competition having had radio 2st/ Power FM in the area for some 30 years, there is no alternative but to commission 2st/Power FM. I personally believe we should have more radio offerings.

Yours Sincerely,
A Very Concerned Nowra Resident and Business Owner,



Ian Henry
Managing Director - Palmira Holdings Enterprises Pty Ltd

Jemma Tribe
President
Shoalhaven Business Chamber
Nowra
NSW 2540
20/02/20

The Manager
Broadcasting Carriage Policy Section
Australian Communications and media Authority
PO Box 78
Belconnen
ACT 2616

Dear ACMA:

I am writing in support of the request to plan for a new commercial radio broadcasting service in the Nowra area.

The coverage area under consideration, (Nowra RA2), is proudly known as the Shoalhaven.

Our population currently sits at around 105,000 people and is expected to increase to over 126,000 in the next 20 years.

We have more than 6,500 businesses – many of whom advertise on radio and would welcome a competitive marketplace.

The region currently has one only commercial radio operator based here and I believe our population base warrants another.

If you would like additional information about this matter, please don't hesitate to phone me on 0413 050 992.

Sincerely,

Jemma Tribe
President

21/02/2020

The Manager
Broadcasting carriage policy section
Australian communications and media authority
PO Box 78
Belconnen ACT 2616

To whom it may concern,

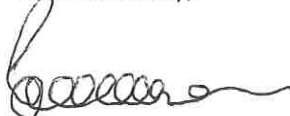
We are writing to you today to discuss the requirement for an additional commercial radio service offering a difference from what is currently available. I think it will not only expand competition in this area, it will greatly benefit businesses such as ours to advertise their products and services. I would encourage you to seriously look at this expansion as a great opportunity to help small businesses and the listening public in our Nowra area.

We find our local area lacks stations that provide diversity to their listening audience, these music based formats only capture an age demographic of early 20's to mid to late 50's.

As younger generations move away from radio to digital options—streaming music services and podcasts—the older audience is expanding. As it does, we feel that the radio programs need to cater to these changes.

As a director of a large Real Estate group we have found the number of baby boomers retiring to this area has increased dramatically over the past 5 years. As well as growing tourist visitations to the area.

Yours sincerely,



Peter Russell

The Manger
Broadcasting Carriage Policy Section
Australian Communication and Media Authority
PO Box 78
Belconnen ACT 2616

23 February 2020



Granting of an additional broadcast license (Shoalhaven)

Dear Sir/Madam,

I refer to recent representations requesting ACMA consider the granting of an additional broadcast license for Shoalhaven Region.

James Wiley

Silos Estate is a significant investor and employer in the region, and supports these representations based on the following:



- a substantial increase in population since the granting of the last license in approximately 1990;
- this population increase has been accompanied by a large investment pool by both government and private sector interests including, but not limited to manufacturing, defence and tourism – some \$6bn in the last five years alone;
- being one of the largest tourism regions in Australia with rapidly expanding international in bound tourism, wine and overnight stay sectors – with some segments experiencing double digit growth over the last 10 years;
- cutbacks in local news and information, including a reduction in services from the national broadcaster (ABC)
- lack of choice/competition for business and community groups who wish to engage with radio, with concentration of ownership with one group; and
- this concentration resulting in limited diversity of programming.

In addition, on reviewing other regional areas of similar size and diversity, it would appear that many have at least two and at times more license allocations.

We trust that ACMA will view favourably the granting of an additional license in our region, for the benefit of both our personal and business community.

If you have any questions in relation to the above, please do not hesitate to contact me by any of the means below.

Rajarshi M. Ray

Rajarshi M. Ray

Silos Estate...on the Shoalhaven Coast Wine, Hawkesbury Harvest and Australia's Oyster Coast Trail

Winner of multiple National, State and Regional Awards including:

WINNER 2014, 2013, 2012 & 2011 South Coast Tourism Awards 'Best Winery'

WINNER 2013, 2012, 2011 & 2010 Origin Energy Business Awards 'Tourism & Hospitality' and 'Sustainability'

HALL OF FAME 'Best Winery' 'Tourism & Hospitality' and 'Sustainability'

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Silos Estate...on everyone's lips TM