

53 Clifton Mews, Clifton Hill Estate, 51 Acutts Drive, Hillcrest, 3610

ACM DSB SUBMISSION

Independent Communications Authority of South Africa Block D Pinmill Farm 164 Katherine street Sandton By email: ndana@icasa.org.za Attention: Mr Ndumiso Dana, 2018/06/01 Dear Mr Dana,

DISCUSSION DOCUMENT ON DIGITAL SOUND BROADCASTING INTRODUCTION

- On 29 March 2018, the Independent Communications Authority of South Africa (ICASA) published in the government gazette number 41534 a discussion document on digital sound broadcasting (DSB). Interested persons were given 45 (forty-five) working days from the date of publication to submit their written comments.
- 2. The ACM is a non-profit network of Christian media organisations that share a vision of reaching people with the Gospel. The ACM strives to be a unifying force that fosters efficient, effective and sustainable Christian media organizations and a greater representation of the Christian worldview within secular media. The Association of Christian Media's vision is to extend God's Kingdom and inspire, serve and support Christian media in Southern Africa. The ACM currently has over 120 members and our members include radio stations, print media, TV channels, electronic media and content providers.

SCOPE OF THIS SUBMISSION

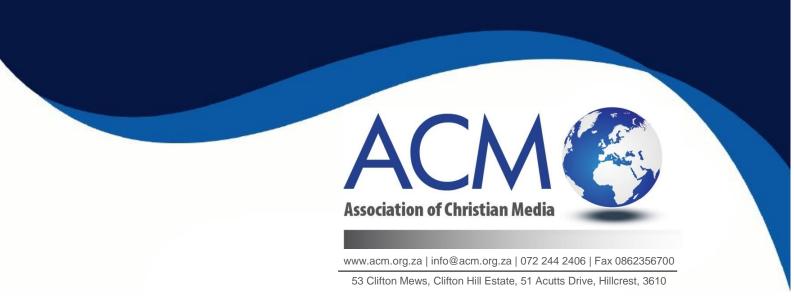
3. The ACM is a member of the National Association of Broadcasters (NAB) and would like to support the submission from the NAB. The ACM will not cover technical questions in this submission, but will endorse the response of the NAB.

Radio Pulpit, an ACM member has participated in the DSB trials, and the process has been followed carefully by the ACM.

4. The ACM will add to the NAB response by contributing further answers to questions 1 and 8 in this document.

Board

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Question 1 – Is there a need for the introduction of DSB technologies in South Africa? Motivate your answer

- 5. The ACM believes that there is a need for the introduction of DSB technologies in South Africa.
- 6. With the growth of digital communication of media, listening audiences have got more demanding of choice. The ACM can demonstrate a growing demand for radio services not currently available on FM or AM. This demand is to some extent being met by internet radio, mostly International. However, internet radio is costly to the consumer, is not band-width efficient for larger audiences, and has mobility and portability limitations. It is not the ideal replacement for current analogue technologies.

Question 8 – Can the current sound broadcasting market afford new DSB licensees in community, commercial and public service? In your answer, explain your reasons and/or choice for any of your submission

- 7. The ACM suggests that marketing is the answer to affordability. A few years ago, the smart-phone was considered un-affordable for the African market. But since 2016, smart-phone sales have out-stripped feature-phone sales in Africa. There are three contributing factors:
 - 1. People have been able to pay over a two-year contract.
 - 2. There is overwhelming consumer demand driven by content and features.
 - 3. Quantity has reduced the manufacturing costs.
- 8. For the broadcaster, possible increased transmission costs can be met by increasing audiences and advertiser revenue. Increasing audiences can be attracted by an enhanced listener experience, quality fresh content and additional features provided by DSB.
- 9. DSB receiver costs, paid monthly, can be less than those for internet radio. This is an opportunity for radio stations to market receivers on contract, and at the same time build brand loyalty.
- 10. DSB does open the way for possible National Community of Interest radio stations.

Concluding remarks

- 11. The ACM would like to thank ICASA for the opportunity to make input into this important new process. The ACM is encouraged by the progress that has been made with the digital radio trials that are guiding the technical implementation of DSB.
- 12. In conclusion, the ACM looks forward to ICASA progressing with policies that will enable broadcasters to plan and budget for new opportunities that DSB will release.

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Yours sincerely,

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Natalie Turco Administrator of the Association of Christian Media

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