Christopher Turner P.O.Box 1838 Hoedspruit 1380

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ICASA Licensing Department Block B, 350 Witch Hazel Avenue, Eco Park, Centurion | **by e-mail Licensing@icasa.org.za.**

Copy: Mr Lyndon Johnstone via e-mail: JohnstoneLBJ@gmail.com

INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA NOTICE 1864 OF 2023

GENERAL NOTICE NOTICE [] OF 2023 ELECTRONIC COMMUNICATIONS ACT, 2005 (ACT NO. 36 OF 2005) APPLICATION FOR THE TRANSFER OF OWNERSHIP OF THE INDIVIDUAL COMMERCIAL SOUND BROADCASTING SERVICE ("I-CSBS") AND RADIO FREQUENCY SPECTRUM ("RFS") LICENCES BY EXTRISERVE (PTY) LTD TO MEDIADYNAMIX (PTY) LTD

Sirs,

I have examined the supporting documents for the proposed transfer of the licence to MediaDynamix Pty Ltd.

<u>I am in favour of the proposed transfer</u> of the individual broadcasting licence as well as the related spectrum licence from Extriserve Pty Ltd to MediaDynamix Pty Ltd. I believe that by transferring ownership of the licence to MediaDynamix, Pty Ltd, the broadcast and programme content will be reinstated to serving the community as the original licence applicant intended, and according to the original licence application.

I wish to address the evaluation criteria as set out in the notice – not necessarily in the same order.

- 1. <u>**Consumer Interests:**</u> The radio station broadcasting as LM Radio under the licence issued to Extriserve Pty Ltd, has over the last 24 months failed to provide a satisfactory service to the listening public in Gauteng for a number of reasons;
 - 1.1. The broadcasting service on 702 kHz AM in the medium wave band was frequently interrupted with breakdowns for a considerable length of time and has been completely absent from the air waves since July 2022.
 - 1.2. Open View has now removed the broadcaster from the Open View Platform which means that the station can only be received via Internet streaming and on DSTV, which is a subscription service. LM Radio in Gauteng is meant to be a 'free to air' service, therefore by restricting its footprint to streaming and to a paid satellite service, it fails to meet its mandate.
 - 1.3. The licence states that the programme output is a Nostalgic, Adult Contemporary and Golden Oldie format. Over the last two years, the music content and presentation style has been erratic and has not met the intended broadcast format.
 - 1.4. The Consumer is not receiving the promised programming and content. The licensee is the only radio station in Gauteng which serves its particular market and provides the defined programming on a 24/7 basis. There are a number of other radio stations which pay lip service to the Nostalgic, Adult Contemporary and Golden Oldie format for a portion of their output. Therefore the consumers who want this format 24/7 as their sole source of entertainment, will not be properly served unless the licence is transferred to MediaDynamix.

- 1.5. Potential advertisers are less inclined to place advertising because of the technical obstacles discussed below.
- 2. **Equity Ownership by "HDPs"**. The current 65% majority shareholder of Extriserve is effectively controlled directly by a White male who also, has over the last year over-ridden and excluded the minority BEE shareholder and director/s from any decision making in the radio station and has treated Extriserve as a sole owned entity and has over-ridden and ignored the other directors. I have no confidence that this situation will change for the better in the future. MediaDynamix is more than 50% owned and controlled by "HDPs" and will therefore further the spirit of the Broadcasting Regulations to empower "HDPs".

3. <u>Technical Considerations with respect to Spectrum Licence:</u>

- 3.1. When the original Medium Wave licence application was submitted in 2012, there existed a number of medium wave stations broadcasting in Gauteng and there was the promise of digital Medium Wave in the form of DRM which would have provided the quality of service expected by the licensee and its listeners. However, in the 10 years since then, there has be a significant technological shift in the viability of medium wave broadcasting. The reasons include but are not limited to the following:
- 3.2. DRM digital Medium Wave broadcasting has not be adopted worldwide as had been expected making consumer receivers and car radios almost unobtainable and even then at prices that are unaffordable to the target listeners. If the listener is unable to afford a receiver then it places him in the same position of not having a 'free to air' choice of radio programme.
- 3.3. The massive increase in the cost of electricity and the associated unreliability of supply, renders broadcasting on Medium Wave (AM) much more costly and introduces a barrier to being profitable.
- 3.4. The consequences of load shedding has had a major effect on the quality of AM reception due to the large numbers of Switch Mode chargers, inverters and Solar Photovoltaic installations which generate high levels of noise and block the reception of AM signals in urban areas
- 3.5. ICASA's FM band planning assumed a much higher demand for community broadcasting frequencies than is currently being experienced. The expected shortfall of FM frequencies available for commercial broadcasters has not in fact happened and there are frequencies available to accommodate MediaDynamix and to provide a broadcast footprint as envisaged in the current spectrum licence, albeit on FM instead of AM.
- 3.6. I therefore support the proposal to convert the AM spectrum licence to an FM spectrum licence with adequate frequencies to cover the same broadcast footprint of the AM licence.

Thank you for the opportunity to provide my considered opinion and comments. I trust and hope that they will assist in the evaluation process.

Please be kind enough to acknowledge receipt of this letter.

Yours sincerely

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