

VAMNA MEDIA AND PRODUCTION

DOCUMENT ON DIGITAL SOUND BROADCASTING

Vamna Media and Production Proprietary Limited

(Reg. No. 2017/309841/07)

(“Vamna Media”)

217B FREDERICK
DRIVE
NORTHCLIFF

Mobile phone: 082 339
4916
phone 011-782 4726

zmapipa@telkomsa.net
www.vamna.co.za/vamnasa.net

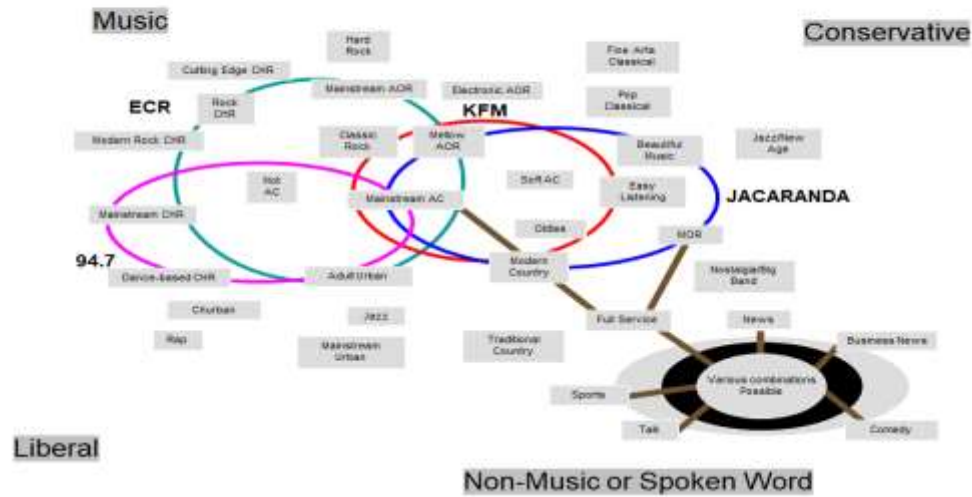
The Constitution of the Republic of South African, 1996 is the most important document which guarantees democratic values and the Bill of Rights of all South Africans. The Bill of Rights further deals with different rights for the individual citizens. These rights are however not absolute rights, they have limitations. The right of freedom of expression is very important for media in South Africa as it guarantees citizens freedom of expression as well as freedom to receive information.

The preamble of the Broadcasting Act, no. 4 of 1999 further dictates that, "... the development of South African expression by providing a wide range of programming that refers to South African opinions, ideas, values and artistic creativity by displaying South African talent in radio and television programming and by making use of radio frequencies that are public property and that provide a public service necessary for the maintenance of national identity, universal access, equality, unity and diversity..." There is a definite objective that is clear in the spirit of the preamble of the Act which is to put at the forefront the ideas and expressions of all South Africans particularly the previously disadvantaged or disenfranchised black people.

One can view the South African radio industry as follows:



MAJOR INDEPENDENT RADIO POSITIONING



SA MEDIA INDUSTRY: RADIO



In addition to the above are several community radio stations, approximately 300. There is an undeniable evidence that the radio industry is not yet approaching maturing because most of the radio stations are broadcasting to wide audience base with several music genres, except for radio stations such as Classic FM which is about the few niche formats. The introduction of digital sound radio is therefore welcome because there is a plethora of radio formats that have not yet been explored in South Africa. Vamna have no less than 10 unique radio formats that it can introduce, given the licences.

Question 1

Is there a need for the introduction of DSB technologies in South Africa?

Yes indeed.

Motivation:

- South Africa has not yet reached maturity in terms of the radio industry, there is therefore a need for more voices and ideas to be broadcast over the airwaves. There will be more players who will bring innovation and creativity.
- DSB is a better platform for sound broadcasting as indicated in the advantages of DSB.
- DSB is understood to offer spectrum efficiency and more reasonable costs.

Question 2

Do you think the list of technical standards to which the DSB equipment must conform are exhaustive? Motivate your response and suggest other equipment technical standards?

Yes, I suggest we look at what the Chinese can offer. I believe their audio receiving sets are far cost effective than the western countries.

Question 3

In the absence of a policy directive for providing standard for DSB, should the Authority provide licences for other DSB technologies?

No comment

Question 4

South Africa through its international agreements at ITU and SADC level agreed on DAB+ and DRM systems. Please indicate which other digital sound broadcasting technology(ies) if any should be considered for South Africa?

Please refer to question 2 above.

Question 5

To use the spectrum efficiently, the digital sound broadcasting network can be planned on a Single Frequency Network. Do you think that it would be applicable for purposes of digital sound broadcasting?

No comment.

Question 6

6.1 Should the Authority consider one or more mux operator(s) for DSB?

Yes. Competition always brings up the best service. Sentech is very complacent because they are a monopoly.

6.2 Would you propose a total switch – off of the traditional analogue AM and FM sound broadcasting?

No. Considering the different markets in South Africa one would find that a certain population, the majority of the African population may not have the resources to purchase the new receivers.

Question 7 Should the Authority adopt the strategy used in other international markets of licensing DSB services in the primary markets first and then a nationwide rollout?

Yes and No.

The Authority should look at those key learnings that are relevant to the South African market.

Our view is that a market research needs to be conducted. One important aspect that is not mentioned in the Australian case study is that Australia found that audiences wanted new content on the DAB+ platform. The new formats drove the take up of the digital receivers. Superior digital quality alone does not guarantee the take up of receivers when people can listen to that on the legacy platforms.

Nationwide rollout should be rather adopted and national licences should be awarded to other broadcasters and not only to the SABC. SABC is currently a monopoly with regards to national licences.

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.

Yes, absolutely.

- No markets have shrunk because of the introduction of digital radio in the countries where it has been introduced. Video did not kill the radio star.
- Digital radio will demand new skills and more people will get jobs in the market – the current industry cannot absorb all the new entrants as well as those who have been rendered redundant due to miss-management at the existing institutions.
- Let's allow the market to dictate who should survive and who should perish.
- The South African advertising industry is growing and therefore the Authority should give them platforms to choose from for advertising, advertisers also need choice and as stated above, the current radio market leads to enormous spillage for advertisers because there are no niche formats and audiences.

For Broadcasters

1. What is your understanding, expectations and concerns as broadcasters with respect to DSB?
 - a. An open process for awarding licences based on the uniqueness of formats.
 - b. Non-protection of the SABC. The SABC must compete in an open fair market.
2. How will DSB impact your sound broadcasting services business?
 - a. I expect to get a licence because currently there are not available frequencies.
3. What are the projected financial implications associated with DSB, considering that Digital Terrestrial Television (DTT) is to be implemented prior to DSB?
 - a. The delay will affect my company because we cannot start broadcasting until we get a licence.
4. What issues of concern should the Authority be wary of when implementing and planning for the regulation of DSB, with respect to competition, spectrum concerns, financial considerations etc.
 - a. I would rather comment that free-market competition be adopted. The experience is that the SABC get preferential treatment under the pretext of ensuring a viable national broadcaster.
 - b. Licences should be granted to applicants who will bring in new formats, content and new thinking.
5. Do you believe DSB will encourage growth in your business or will it create unnecessary financial pressure on your business?
 - a. It will create growth.
6. Have you conducted research on DSB and the implementation and regulation of same that you can share with the Authority?
 - a. No, not yet.
7. Please provide the Authority with any further information you deem necessary and asked herein.
 - a. I would prefer to do a presentation before the Authority.
8. How would the introduction of digital sound broadcasting benefit the service providers?
 - a. Advertisers will have more options regarding advertising, both audio and visual.
 - b. Audiences will have the replay facility, better quality, etc. as well as user experience of audio-visual rich content and electronic programme guide.
 - c. There will be better delivery of information for the deaf as they can see some aspects of the programme.
 - d. Radio stations can demonstrate flexibility by splitting their signals for different audiences' interest.