

smartradio



The Manager, Regional Radio Content Review
Radio Broadcasting Section
Department of Broadband, Communications and the Digital Economy
GPO Box 2154
Canberra ACT 2600

31 March 2010

Dear Sir

Re: Review of Trigger Events

Thank you for the opportunity to allow us to submit our comments on the impact of Trigger Events on the regional commercial radio industry.

The Smart Radio Group is a small husband and wife operation that owns five AM, one FM and two s40 commercial radio stations in inland Queensland.

Four of our five AM stations are subject to 'trigger events'.

Initially, on first inspection, these 'trigger events' did not appear to be particularly onerous or restrictive.

Like criticizing 'motherhood', it appeared almost indecent to raise an objection to what, on the surface, seemed to be providing benefits to the local community.

However, it is only in practice and with the passage of time, that the full extent of these inequitable obligations have become apparent, as has the severe financial impact they have had on small radio stations, like ours.

Therefore, I wish to add this company's wholehearted support for the abolition of 'trigger events' obligations on the regional commercial radio industry, which, from experience, we now consider to be a Draconian law.

'Trigger Events' are onerous and highly discriminatory against one small section of Australian business, often rendering those businesses uncompetitive in many operational areas that most companies regard as a God-given right in a free enterprise society.

These obligations have also been proven to discriminate between one station and another in a single regional market, giving the station not subject to a 'trigger event' a distinct and unfair commercial advantage.

'Trigger Events' place restrictive impositions on the ability of regional commercial radio stations, most of which are small businesses, to perform efficiently and to react to changing market circumstances.

Nothing could have highlighted this more than the recent Global Financial Crisis.

During the recession, many of our rural advertisers heavily restricted their spending, which they are at liberty to do in a free market society, yet we were forbidden by an unjust and inequitable law to take normal commercial steps to reduce our losses and protect our company from this change in business sentiment.

Working with the onerous obligations of 'Trigger Events' in small markets like ours is tantamount to operating your business with one hand tied behind your back, and, this situation was made even worse during the depths of the recession.

The introduction of 'Trigger Events' was politically motivated during a very buoyant economy in 2007 as a trade-off to provide substantial financial benefits to major media moguls at the expense of small regional radio operators, who did not have the muscle to have them excluded from the Media Bill.

Essentially, regional commercial radio was made a political whipping boy.

I would be prepared to give you specific 'commercial in confidence' examples of how our business has been adversely affected should you or your staff wish to contact me directly.

Smart Radio fully supports the Commercial Radio Australia submission, with the added proviso that local content obligations should also be exempt for Section 40 commercial stations, because of their general wide area coverage.

Yours sincerely



BRAD SMART

Managing Director