



Telecasters Australia Limited and Prime Television (Victoria) Pty Ltd were the successful bidders at the ABA's television licence allocation exercise conducted in October.

New commercial television licences for Darwin and Mildura

Telecasters Australia Limited and Prime Television (Victoria) Pty Ltd were the successful bidders for new commercial television broadcasting licences in Darwin and Mildura respectively, following a licence allocation exercise conducted by the ABA on 29 October 1996.

Telecasters Australia Limited bid \$2.1 million for the Darwin licence and Prime Television (Victoria) Pty Ltd bid \$3.2 million for the Mildura licence.

'The people of Darwin and Mildura can look forward to the introduction of second commercial television services in the near future,' said Mr Peter Webb, ABA Chairman.

'At present, both markets have only one commercial television service. The people of Darwin and Mildura have asked the ABA for new commercial television services and today's auctions are the successful culmination of the ABA's planning process to respond to their demands.'

The Darwin and Mildura licences are the first commercial television broadcasting licences to be offered under the ABA's price-based allocation system and the first new commercial television licences to be offered to new players since a licence for Perth was

granted in 1986.

Telecasters Australia Limited and Prime Television (Victoria) Pty Ltd must each commence services within one year of being allocated a licence (or seek the ABA's permission for an extension of this period).

Applying for a licence

An applicant for a commercial television or radio broadcasting licence must be a company, formed in Australia or in an external territory, which has a share capital.

To apply for a licence, applicants have to complete an application form, a form of authority which authorises agents to act on an applicant company's behalf at an auction, and a form of indemnity and guarantee which is to be completed and executed by the applicant company and by a director of the applicant company.

Applicants must also pay an application fee of \$10 000 for each licence. The fee will be deducted from the price bid by a successful applicant for a licence, and (subject to the terms of the determination which governs the price-based allocation system) will be refunded to unsuccessful applicants.

Applications will generally



Above: Highest bidder for the Mildura licence Mr Daryl Guihot, Prime Television (Victoria) Pty Ltd with ABA Chairman, Mr Peter Webb.

Below (inset): Mr David White, Chief Executive Officer, Telecasters Australia Limited, highest bidder for the Darwin licence.



be invited for a broadcasting services bands licence only after the broadcasting frequency for a commercial service has been made available

in a licence area plan (LAP) prepared by the ABA. LAPs are being prepared progressively for all of Australia, according to ABA priorities.



IN THE NEWS



Auction day at the ABA: (left) Ms Debra Richards, Director Program Services with Gus Ryce, Auctioneer (left) and Damian Binskin, Department of Administrative Services.



How does the price-based allocation system work?

If the ABA registers more than one application for an advertised licence, the registered applicants will bid for the licence at a licence allocation exercise.

The highest bidder must pay a deposit of 10 per cent of the difference between the price bid and the application fee,

and complete a form of acknowledgment immediately following the auction.

Full payment for the licences (price bid less the application fee and the deposit) must be made between 45th, 46th and 47th days after the auction. The ABA will allocate the licences as soon as is practicable after full payment is received.

If a successful applicant fails to meet any of the require-

ments, the application fee will be forfeited and the licence will not be allocated to the applicant. The ABA may then re-offer the licence for allocation.

What are the requirements of the determination?

The ABA must not allocate a licence if the ABA decides that an applicant is not a suitable applicant in the terms of

s.41(2) of the *Broadcasting Services Act 1992*.

Under the Act, an applicant is presumed to be 'suitable' unless the ABA decides that allowing the applicant to provide a commercial broadcasting service under a licence would lead to a significant risk of an offence against the Act or associated regulations being committed, or a breach of the conditions of the licence occurring.



Press interviewing Mr Peter Webb, Chairman, ABA (above and right) and Mr Guihot, Prime Television (Victoria) Pty Ltd (far right) after the auction.

