

## Voluntary code

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tory exhibitors and distributors "should be freely negotiated" having regard to the specific circumstances of each screen.

The Code gives exhibitors the right to choose whether to negotiate for the supply of print in accordance with (i) the distributor's prevailing film policy or (ii) on a picture-by-picture basis having regard to the distributor's own "distribution strategy", the nature of the picture and a range of objective criteria including expected returns, the cinema's location and the parties' overall business relationship. In relation to advance screenings, distributors must under-

take negotiations in accordance with (ii).

Distributors must give exhibitors to whom they intend to offer prints reasonable notice of release dates and, 14 days before release, information regarding intended supply terms and promotional opportunities. On request, distributors must give reasons for refusal to supply prints and must review session commitments if a film substantially under-performs.

Among other obligations, exhibitors must not prevent distributors from supplying films to competitors. They must play trailers and display adver-

tising at least two weeks before the opening date. Exhibitors can be required to provide credit references and box office receipts in certain situations.

If an exhibitor fails to comply with any obligations in the Code, supply of print may be withheld after reasonable notice of the distributor's objection.

If the Code fails to achieve its objectives, the ACCC has said it might make it mandatory or promote the enactment of legislation. The ACCC will review the operation of the Code in 12 months' time. <<

Karen Winton

## From The Archives

### Australian TV service for Southeast Asia

An Australian controlled company, Satellite Education Systems (HK) Ltd., is planning to beam educational and entertainment programs to 1.5 billion potential Southeast Asian viewers from November.

SES signed a contract for a seven year transponder lease on Indonesia's Palapa satellite in December last year.

But the requisite Intelsat coordination to allow overseas broadcasts out of Australia was only approved by the Intelsat board last month where it was supported by the Overseas Telecommunications Commission (OTC) and its Indonesian and Thai counterparts.

Director of operations David Kiernan has not yet reached a decision on whether to uplink to Palapa via Telecom Singapore or via OTC from Darwin. "In some respects Singapore is attractive because there is no duty payable on studio and earth station equipment," he explained.

If the uplink is established in Darwin, it will be owned and operated by OTC though the department's telecommunications division

is currently reviewing policy on international transmission from and to private earth stations in Australia.

The Palapa venture clearly provides the opportunity for the department to open up the skies for Aussat to provide foreign telecasts into and out of Australia.

Trading as the Emerald Network, SES is 63 per cent owned by Perth second board company, Industrial Resources Holdings Ltd., and 20 per cent by PT Satmarindo, an Indonesian oil exploration company and supplier of services to the offshore industry.

A potential investor, Ecosphere International, operates a satellite network operator in the U.S. and Kiernan says he has a small SES stake.

Kiernan was formerly general manager for Parry Corp.'s Icom subsidiary which took over the Darwin-based satellite dish distributor, Homesat TV, in 1984.

He is enthusiastic about the use of Palapa since the fixed price for TV capacity is "only US\$750,000 a year, quarter the rate charged by Aussat."

**Australian soaps & golden oldies**  
Initially, Emerald will concentrate on

exporting English language programs for the Indonesian market.

"Our main charter is to send western education into Southeast Asia during the day, and then from 5pm each evening we will turn into a normal TV entertainment format," said Emerald sales and marketing manager, Guy Sherrington...

### The potential Asia-Pacific market

Emerald is targeting corporate sponsors in Australia such as the tourist industry which has expressed interest in the new network. A limit of four minutes of advertising each hour in the evenings is also on the agenda.

Sherrington said that by mid 1989, "we will be looking at Thailand and toward the end of 1989 we are hoping Malaysia will come on line."

A Papua New Guinea group has also expressed interest. "We have talked with a Port Moresby cable network - Channel Eight - who want to downlink the programs and do a joint venture situation where they distribute the signal," he said. <<

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