



IFC 4/2008 Five-year Spectrum Outlook
2008-2014

A response to ACMA's April 2008 consultation on
draft spectrum demand analysis and indicative work
programs for the next five years

July 2008

Response to Five-year Spectrum Outlook 2009-2014

Background

Australian Wireless Audio Group (AWAG) would like to take this opportunity to thank the Australian Communication and Media Authority (ACMA) for this opportunity to comment on the above discussion paper.

AWAG is an Industry funded, non-partisan, representative group which speaks for key manufacturers, wholesalers, retailers and users of wireless audio products currently operating in the 520-820MHz frequency band. We are led by the Australian Music Association, and our members currently include:

- Jands Pty Ltd
- Syntec
- Technical Audio Group
- Audio Products Group
- APAC Audio
- Audio Telex
- Aerobic Microphones Australia (associate member, - fitness industry products)

Users of various wireless audio products include:

- a) Educational institutions including Schools (e.g. radio microphone at school assembly, school musicals etc), Universities and TAFEs;
- b) Churches;
- c) TV, radio and other broadcasters;
- d) Performing arts organisations – both professional and amateur;
- e) Concert promoters, festival organiser and other entertainment providers;
- f) Music theatre groups – both professional and amateur;
- g) Independent musicians;
- h) The convention and meetings industry;
- i) The fitness/aerobics industry (e.g. instructor wireless microphones);
- j) Auctioneers;
- k) Major events (e.g. Grand Prix);
- l) Home users (as digital editing and voiceovers etc become easier with new lower cost home audiovisual technologies); &
- m) Political parties (e.g. State and Federal conferences).

This fragmented user profile, with a strong bias to small businesses and community organisations, complicates the analysis of the economic benefits of this type of spectrum use and also has implications for the economic efficacy of market-based spectrum allocation processes.

In recent years, industry has been supplying around 32,000 wireless audio products per annum to Australian users. We are therefore of the opinion that there are at least 100,000 units currently being used on a regular basis within Australia, a number which could expand to over 200,000 units by 2014.

Discussion

Section 5.2.2 2009-2014 Issues affecting spectrum demand

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AWAG agrees that "future requirements for broadcasting spectrum are likely to depend critically on government decisions about the future development of the sector."

To date, our users have operated under the LIPD Class licence and have enjoyed a symbiotic relationship with the broadcasters in this frequency band. However, the true demand and level of usage has been hidden by the use of the class licence for these products. Research commissioned by AWAG and the Australian Music Association (AMA) indicates that there are in excess of 128,000 units currently in operation in Australia and this number is growing each year.¹ Additional research from Europe indicates that the number of these products in use is increasing at a rate of over 5% per year. ²Based on these trends it is possible that the number of devices operating in Australia may exceed 200,000 pieces by 2014.

Page 40 Television

AWAG understands that the cessation of analogue television transmission will raise the possibility of competing demands for the vacated spectrum. AWAG would like to draw attention to two issues for consideration in the decisions regarding this spectrum.

Firstly, there are concerns that WAS devices as they are currently designed, do not adequately detect other devices and therefore interfere with devices including wireless audio products.³ Wireless audio products require clean spectrum in order to reproduce the high quality content for live and recorded performances.

Secondly, research indicates that wireless audio products have a 10 year net present value direct estimate of benefit in the range of \$291-\$714 million⁴. It must be remembered that this does not include industries indirectly affected. The overall social welfare impact must be considered in any decisions undertaken by the ACMA and the Minister.

AWAG is keen to participate in stakeholder consultations once the preparatory work has reached an appropriate stage.

¹ Windsor Place Consulting (2008), *Untethering the microphone: An economic study of the benefits of spectrum use for unlicensed wireless audiovisual devices in Australia*, page 26

² ETSI (2007), *Electromagnetic compatibility and Radio spectrum Matters (ERM); Technical characteristics for Professional Wireless Microphone Systems (PWMS); System Reference Document*, ETSI TR 102546 v1.1.1 (2007-02)

³ Federal Communications Commission (2007), *Initial Evaluation of the Performance of Prototype TV-Band White Spaces Devices*. OET Report FCC/OET 07-TR-1006

⁴ Windsor Place Consulting (2008), *Untethering the microphone: An economic study of the benefits of spectrum use for unlicensed wireless audiovisual devices in Australia*, page 3

Appendix A: Current and imminent projects

Page 125 520-820MHz

AWAG supports the allocation of spectrum to the highest value use and is keen to assist the Minister for Broadband, Communications and the Digital Economy and the ACMA by representing our stakeholders in the formulation of future policy for the spectrum that will become vacant following the switchover to digital television. As stated by Windsor Place, "Because there are so many diverse users of short range wireless audiovisual devices (and the benefits are both economic and social, but broadly dispersed across the economy), the costs to organise the whole group of current users and for them to make a single entity bid for spectrum in an auction exceeds the benefits of spectrum use."⁵

In addition, it is the contention of AWAG that decisions regarding the 520-820MHZ band must be made in light of developments worldwide. Due to the relatively small size of the Australian market, the application of the use of this spectrum cannot be substantially different to applications in major markets. Substantial variations would impose regulatory and economic burdens on the Australian community.

⁵ Windsor Place Consulting (2008), *Untethering the microphone: An economic study of the benefits of spectrum use for unlicensed wireless audiovisual devices in Australia*, page 9

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