Submission No 7

Inquiry into Australia's Relations with the Republic of Korea; and Developments on the Korean Peninsula

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The Secretary

Parliament House

Trade



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Foreign Affairs Sub-Committee

Joint Standing Committee on Foreign Affairs, Defence and

Re: Review of Australia's Relations with the Republic of Korea; and developments on the Korean peninsula

Dear Secretary

The ABC is pleased to contribute to the Committee's inquiry into Australia's relationship with the Republic of Korea; and the developments on the Korean peninsula.

I trust that the information attached will assist the Committee in its deliberations.

The contact point in relation to the submission is Gary Dawson, Head Strategy & Development. He may be contacted at (02) 8333 5360.

Yours sincerely

Geoffrey Crawford Director Strategy & Communications

JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

INQUIRY INTO AUSTRALIA'S RELATIONSHIP WITH THE REPUBLIC OF KOREA; AND DEVELOPMENTS ON THE KOREAN PENINSULA

SUBMISSION FROM THE AUSTRALIAN BROADCASTING CORPORATION

MAY 2005



AUSTRALIA'S RELATIONSHIP WITH THE REPUBLIC OF KOREA; AND DEVELOPMENTS ON THE KOREAN PENINSULA

The ABC welcomes this opportunity to contribute information to the Committee's current inquiry into Australia's relationship with the Republic of Korea.

The ABC has a record of engagement with the Republic of Korea through various channels including its short wave and satellite broadcasts from Radio Australia, ABC News and Current Affairs, ABC Enterprises, ABC Technology & Distribution, and the new ABC Asia Pacific television service.

The Australian Broadcasting Act 1983 guarantees the editorial and administrative independence of the Corporation from the Government. The ABC Board is charged with the duty to 'monitor the independence and integrity of the Corporation'.

The ABC Asia Pacific television service is editorially independent but is funded directly from the Department of Foreign Affairs and Trade. All other services are funded within existing appropriations expended under the oversight of the ABC Board.

ABC Asia Pacific Television Service in the Republic of Korea

ABC Asia Pacific considers the Republic of Korea as a very important market and a special one. This is due to its development as a democracy, historical links, trade and cultural development including the government's desire to encourage English language use.

ABC Asia Pacific is a strong voice and provides a window into Australia for the Republic's people. It is a vehicle to be used by exporters and importers to develop business relationships between our two countries.

The ABC Asia Pacific channel is available in over 90,000 homes in Seoul developing a regular audience of 16,000+ viewers each month. Research shows that these viewers are in the A-B economic group and includes about 40% of business decision makers. Interestingly, 98.4% of these viewers are Korean.

ABC Asia Pacific reaches this audience by distribution through the major master cable operators in Seoul. They, in turn, distribute to local cable operators affiliated with them. ABC Asia Pacific is also taken by rural and other city networks.

The ABC Asia Pacific channel participates in advertising, marketing and promotional activities with many of the distributors in order to develop a

relationship with the viewers. The station does not wish to be just another foreign channel, but seeks to communicate with our audience on behalf of Australia and its businesses.

There is a strong English language learning component on the ABC Asia Pacific channel, which is very important in Korea in that it mirrors the ambition of the government to encourage English learning.

ABC Asia Pacific takes an even greater interest in English language tuition in Korea by facilitating visits by Korean students to Australia to English language schools and by arranging visits by Australian teachers to carry out Summer School Camps in Korea

ABC Asia Pacific also part sponsors the English Village, a development by the Seoul City Government at a cost of US\$12.5 million. 25,000 students are accommodated in the English Village each year to learn English in a fun/Western environment. No Korean is spoken in the village.

ABC Asia Pacific has developed a news studio where students learn English by producing their own news service. The studio is strongly branded for the Channel and Australia.

The Village also features an Australian Pavilion, which includes television presentations of ABC Asia Pacific programming, Australian industry material - mining, agricultural and resources footage from Australian industry bodies, tourism material and other documentaries of interest.

The Pavilion also includes a large map of Australia, which has special features marked. A number of computers allow students to access selected websites planned to promote English learning in an Australian environment. We are also developing the concept of e-pals allowing Korean and Australian classrooms to communicate via email in the future.

Programs supplied by ABC Asia Pacific also feature in the Village theatre.

All of the channel's activities in the Republic of Korea are based on building opportunities for both countries to develop a strong co-operative relationship. The channel could be the first opportunity Koreans have of experiencing Australia and the opportunities offered.

Future Development and Opportunities

The future will see even further developments, such as Korean sub-titling, and closer relationship with the community by the inclusion of more Korea specific programs. Much more will be achieved when Australian industry comes to recognise ABC Asia Pacific as a real opportunity to be used in the development of the export and import industry.

ABC News and Current Affairs – International Broadcasting

ABC News and Current Affairs international coverage, through its correspondents, recognises the importance of the Korean Peninsula. Yet, despite the importance of trade between Australia and Korea, most Australians know very little about the Korean Peninsula. Given the importance of the economic bilateral relationship, Australian media coverage is often less than it should be.

While it may appear to be a somewhat circular argument, the level of media coverage reflects the apparently limited Australian public interest in Korea and yet, without greater coverage, Australian public interest will remain limited. ABC News and Current Affairs TV news coverage of Korea is not assisted by the generally relatively low level of international newsagency coverage of the country.

ABC news trips to Korea have taken place over the past three to four years. The ABC's Tokyo-based North Asia Correspondent has been a regular visitor to the Republic of Korea, undertaking coverage for ABC programs such as the 7.30 Report and the Foreign Correspondent program.

Future Developments and Opportunities

ABC News and Current Affairs maintains a watching brief on the Korean Peninsula and in particular on North Korean issues, given the media's interest in issues such as the North Korean nuclear program.

ABC Enterprises Division in the Republic of Korea

ABC Enterprises' current business dealings and future opportunities in Korea are summarised as follows.

ABC Consumer Publishing and Content Sales' current and future business with Korea is the sale of ABC distributed TV programs, home videos and books.

The majority of program sales by ABC Content Sales into South Korea are to local distributors who then place the titles on one of many cable stations or one of the five TV stations. ABC Content Sales does sell directly to EBS, the educational broadcaster. ABC Content Sales also has titles under consideration for the DVD market in Korea. These titles are mainly arts programs such as Ballets and Opera Australia productions.

The most recent program titles to be licensed into South Korea for distribution to Pay TV include *Surfing the Menu series 1 and 2* and *Kylie Kwong* to Discovery Channel; *Active Kidz*, *Lights Camera Action Wiggles!*, *Bananas in Pyjamas* and two *Wiggles Specials* to Buena Vista International; the children's series *Petals* and documentary series *Moulin Rouge Girls* to Sun Media; and

documentaries *From the Heart*, *The Sun*, *Outstanding Australia*, *Buddha Realms* and *Quantum* specials to Joong Ang Broadcasting.

Programs licensed for free-to-air TV include the education series *Designers* and the documentaries *Australia the Big Picture* and *All Points of the Compass* to EBS; *Islands of the Vampire Birds* to Kenny and Company; *Quantum - The Next Pandemic* to Kim Media and the drama series *Changi* to Joong Ang Broadcasting.

ABC Books has sold a number of children's book rights into Korea. *Hello Baby* has been sold to the publisher Sakyejul, *Hello Baby* (Audio) to Moonjin Media, *Midnight Feast* to Hansol Gyoyook, *Nighty Night* to Mirae Media, *Sweetie May* and *Sweetie May Overboard* to Hyeonam, and *Tom Goes to Kindergarten* to Moonjin Media and Joongang. Six titles from the *Whose* series have been sold to Yearimgdam and two titles from the YoYo Flap Books have been sold to Little Land 2004.

ABC Books also has further titles under negotiation for possible future publication.

It is unlikely that ABC Consumer Publishing will acquire Korean rights for distribution or publication in Australia, as Korean content does not have local relevance in our market.

ABC Resource Hire provided crew and facilities for Minicam coverage of an annual event in Korea up until late 2003. The event was one leg of the international Formula 3 motor racing circuit that was run in Changwan, near Pusan on the East Coast, from 2000 to 2003. After the race in November 2003, the event was moved to Bahrain by the international circuit organisers.

ABC Resource Hire has no other business in Korea and no potential business at this time.

Future Development and Opportunities

ABC Consumer Publishing has also licensed *Bananas in Pyjamas* merchandise in Korea and hopes to have another property to licence in Korea in the future.

ABC Technology and Distribution Division

Sale of ABC Technology to the Republic of Korea (South Korea)

The ABC has just concluded the sale of the intellectual property for the ABC Digital technology and taking over on-going development, marketing, support and distribution for the products to HannetDigital Corporation Limited of South Korea.

This technology includes the ABC-developed D-CART digital audio editing system and D-RADIO digital radio consoles. The technology was first developed by the ABC in the early 1990s for use by the Corporation and was subsequently sold to a number of major broadcasters around the world.

HannetDigital has developed a Korean script version of D-CART and undertaken substantial redevelopment of the hardware platform since transfer of the IP. Hannet Digital has sold to the Korean Broadcasting System (KBS) in Korea, several large systems to this new design. Hannet Digital also provides support for former ABC international customers.

Information Exchange

In 2004, the ABC was approached by Austrade and invited to nominate a senior female ABC executive to speak at the "Beyond Technology" conference of the KIBWA (Korea IT Business Women's Association) in Seoul in the Republic of Korea.

As part of its support for women working in IT in Korea, KIBWA established the first Global IT Business Women's Conference "Beyond Technology" with the support of the Korean Ministry of Information and Communication (MIC). The conference invited senior executives from the Asian region to participate and exchange ideas that will lead to the next phase in the ongoing technology industry revolution.

In November 2004, Ms Margaret Cassidy (then Head, ABC Technology Strategy & Development) attended and presented a paper on developing content for digital platforms at the Conference. Mrs Cassidy also used the opportunity to investigate current developments in the adoption of Digital Radio technology in Korea, particularly the production of content and commencement of services for the DMB (Digital Multimedia Broadcasting) variant on DAB. The ABC has exchanged information with digital radio manufacturers about current and future receivers.

Australia's Frequency Co-ordination with the Republic of Korea

Spectrum-related negotiations between Australia and the Republic of Korea are carried on through the avenues of the spectrum regulator Australian Communications Authority (ACA). In the past few years, the ABC and terrestrial television broadcasters have reached successful agreement with the Korean satellite broadcasters for an acceptable power limit on the ground for Korean satellites signals over Australia. There are avenues for further co-operation in such regard between the Australian broadcasters and North Asian broadcasters whose consortium is involved in satellite broadcasting from Korea.

Future Developments and Opportunities

ABC - Interest in T-DMB (Terrestrial Digital Multimedia Broadcasting)

The Republic of Korea has developed a promising technology for terrestrial digital multimedia broadcasting that Australian broadcasters, including the ABC, are watching with keen interest.