



**The ABA will conduct an auction in February 2002 to allocate a new commercial radio licence for Perth.**

# ABA to auction commercial radio licence for Perth

The ABA will conduct an auction on Thursday 14 February 2002, to allocate a new commercial radio licence to serve Perth.

The auction for the licence, to provide a service on 93.7 MHz on the FM band, will be held in the Westend Room at the Rydges Hotel, Cnr Hay and King Streets, Perth. Registered applicants must check in between 1.15pm and 2.15pm, with the auction expected to commence at 2.30pm.

The ABA has received eight applications for the licence. The bidders' identities are confidential, with only the winning bidder announced at auction. There is a reserve price of \$1 million for the licence.

Members of the public and the media are welcome to attend the auction, however, only registered applicants may bid for licences.

The auction, technically a 'licence allocation exercise', will be conducted in accordance with the price-based allocation system determined by the ABA under section 36 of the Broadcasting Services Act.

## **How are commercial broadcasting licences allocated?**

The *Broadcasting Services Act 1992* requires the ABA to develop a price-based system to allocate licences for commercial radio and TV broadcasting services that use the broadcasting services bands.

The price-based allocation system developed by the ABA is governed by the *Commercial Broadcasting Licence Allocation Determination* (available on the ABA website at <http://www.aba.gov.au/radio/licensing/commercial/pdf/rf/s36det98.pdf>).

Applications for licences for new commercial broadcasting services will be invited only after the ABA has decided to make a new service available in a licence area plan.

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

## **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 price bid immediately following the auction.

Successful bidders for commercial licences must pay the balance of the price of the licence between 45 and 47 days after the auction. The ABA will allocate the licence as soon as is practicable after full payment is received.

If a successful applicant fails to meet any of the requirements of the Determination that govern the licence allocation processes, the licence will not be allocated to the applicant. The ABA may then re-offer the licence for allocation.

What happens once an applicant is successful in getting a licence?

Successful applicants for commercial licences must commence a service within one year of being allocated the licence (or within a longer period with the ABA's permission).

## **Auction details**

The auction for the Perth licence will be held on **Thursday 14 February 2002** at:

The Westend Room  
Rydges Hotel  
Cnr Hay and King Streets  
Perth.

Registered applicants must check in between 1.15 p.m. and 2.15 p.m. with the auction expected to commence at 2.30 p.m.

