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## **Media Statement**

25 February 2015

### **SBS figures not believable**

Free TV Australia stands by its analysis of the potential for SBS to increase its revenue if it is allowed to double its ad limits in prime time.

SBS continues to assert that it will only gain an additional \$28.5 million over four years, but there is no transparency of the revenue figures on which that claim is based.

Independent analysis demonstrates that SBS will have the potential to earn an additional \$148 million over four years.<sup>1</sup>

The analysis conducted for Free TV by Anomaly, a specialist market research and intelligence company, is robust and has not been disputed by SBS.

The Anomaly modelling is based on SMI revenue data (a proprietary industry standard measurement) and makes conservative assumptions of fill rates, and of peak revenue (prime time) as a percentage of total revenue, based on industry experience.

Even adjusting the Anomaly model to match the much lower assumptions claimed by SBS, the additional revenue available to SBS over 4 years is still \$114 million.

The SBS figures are not credible. The Parliament is being asked to believe that SBS will only earn another \$7 million a year from doubling its prime time advertising to ten minutes.

If those figures are to be believed, SBS clearly has a much larger problem with its Sales Department. On their own numbers they could make the money they say they are aiming for within their current available inventory, just by improving their sales performance.

These proposed changes will allow SBS to compete directly with commercial broadcasters for prime time programming and audiences, and for prime time revenues.

Free TV stands by its modelling and remains firmly opposed to any suggestion that a publicly funded broadcaster should be allowed to compete directly with commercial free-to-air broadcasters for a larger slice of a finite advertising pie – effectively forcing private companies to subsidise SBS funding.

**For media enquiries contact Free TV Australia on (02) 8968 7100**

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<sup>1</sup> These figures have been updated to include final CY 2014 revenue figures and are based on revenue increases over 4 years