



2017 INDUSTRY PROFILE

8339 jobs created
\$2 billion added to GDP
\$893 million invested in local content
astra.org.au



**\$893 MILLION
SPENT ANNUALLY
ON LOCAL
TELEVISION
PRODUCTION,
CREATING 8339
JOBS AND ADDING
\$2 BILLION TO
THE AUSTRALIAN
ECONOMY.**

FROM THE CHAIRMAN & CEO

Australian television viewers have never been more spoilt for choice.

Across the globe, annual investment in television production has topped \$150 billion, and the number of scripted series in production has nearly doubled in five years. This revolution has delivered global audiences more information and entertainment options than ever before. Here in Australia, for the first time, more homes than not watch a subscription television service of some kind.

The local subscription television sector has helped deliver this revolution.

ASTRA's member organisations now inject around \$900 million into local productions, broadcasting more than 60,000 hours of new Australian content every year, much of it exported to the world. They film in hundreds of communities across the country, from Port Lincoln to Kakadu, directly creating jobs for more than 8000 Australians.

The Australian sector is a global innovator too. This year, ASTRA members will use the world's most advanced cameras to improve sports coverage, deliver more affordable subscription packages than ever before, develop new apps that ring-fence children's content safely behind secure walls, and launch a brand new NRL-branded channel for fans of the football code.

ASTRA is the peak body that represents this vibrant industry. Our more than thirty member organisations, from Australia and the world, include platforms that deliver unique and high quality screen content, dozens of independent content makers, equipment

vendors, cable installers and the technology companies that support them.

Those members include Sky News, the undisputed leader in public affairs television, FOX SPORTS, Australia's leading producer of sports television, independent channel groups such as Viacom, BBC and Discovery, and small businesses like the Aurora Community Channel. Together, they create more local television than the free to air networks combined.

Their achievements are all the more remarkable because, unlike their free-to-air television counterparts, they have not sought subsidies, public infrastructure or regulatory leg-ups. And unlike the global television streaming companies with whom they compete, our members must comply with countless local laws, many of them enacted twenty years ago to protect the revenues and audiences of incumbent broadcast networks.

In the coming year ASTRA will advocate reforms that strip back costly protections where they exist, and lower the regulatory burden so Australian media companies can compete on an equal footing with our global competitors. Doing so will allow our members to further improve the quality, choice and creativity of Australian television, further invest in local content, and create more jobs.

We are proud to present this annual report that outlines our achievements and plans for the year ahead.

Tony Shepherd AO
Chairman

Andrew Maiden
Chief Executive Officer



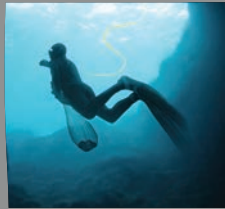
RAILROAD AUSTRALIA
TASMANIA

Queenstown &
Strahan



RIVER COTTAGE
AUSTRALIA S4
NEW SOUTH WALES

Central Tilba



ABALONE WARS S5
SOUTH AUSTRALIA

Port Lincoln



COAST S3
AUSTRALIA WIDE

Torres Strait, Horn
Island, Mer Island,
Yam Island, Tudu Island,
Saibai Island



OUTBACK WRANGLER
NORTHERN TERRITORY

Finnis River Station,
Mary River

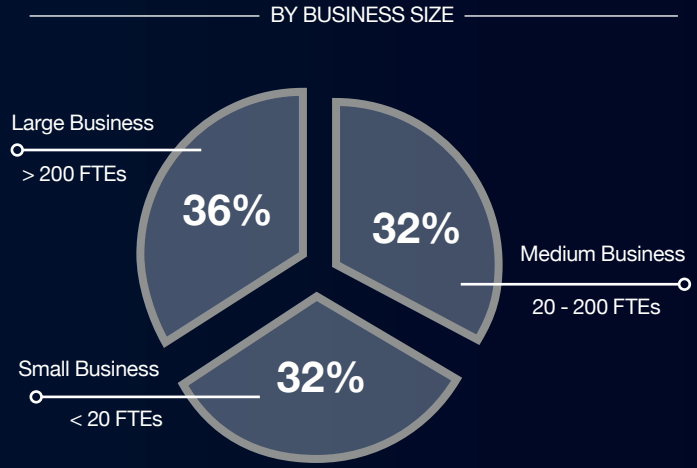
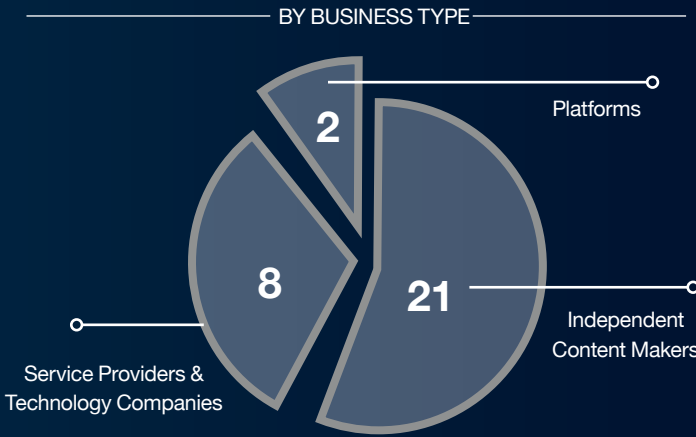
FILMING IN MORE THAN
200 LOCATIONS AUSTRALIA WIDE



ASTRA
MEMBERS



INDUSTRY
STRUCTURE



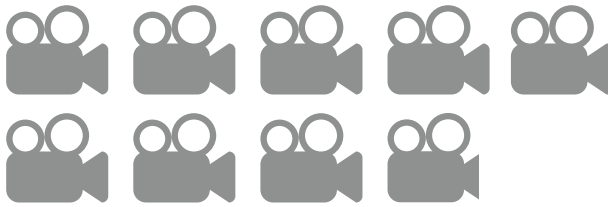
INDUSTRY
ECONOMICS

The Australian subscription television industry invests \$893 million in local television production, creating 8,339 jobs and adding \$2 billion to the Australian economy

\$893 MILLION

invested in local production

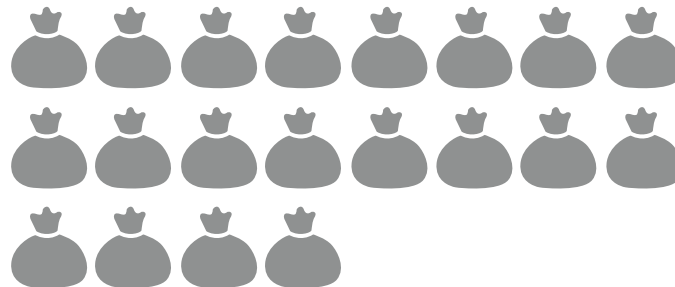
= 100 Million



\$2 BILLION

contributed to the economy

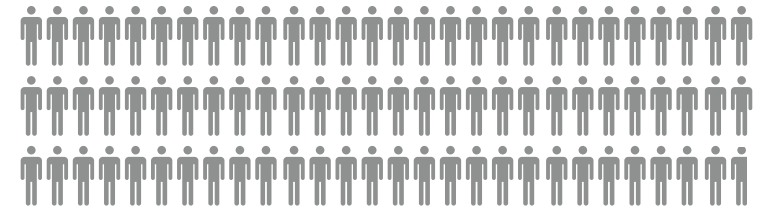
= 100 Million



8,339 JOBS

created for Australians

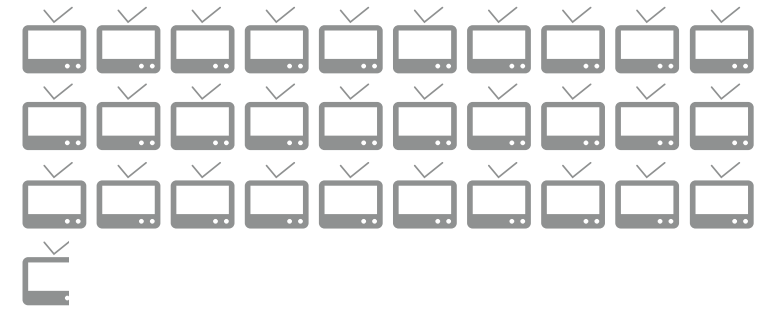
= 100 Jobs



30,651 HRS

TV content exported to the world

= 1000 hours



I love being able to speak directly to the kids of today and bring their imaginations to life. Nickelodeon's viral phenomenon, Dad Jokes Survivors, was a big winner at the ASTRA Industry Awards.

Ellen Dedes-Vallas

Producer, Nickelodeon Australia
3 years in subscription television

CONTENT

Subscription television is the leader in quality live, original and exclusive programming, engaging Australian audiences across multiple devices and screens. In 2015/16 ASTRA members invested \$893 million in local content, filming in more than 200 locations across metropolitan and regional Australia.



I get to meet everyone from the CEO of Foxtel to on-air talent and our studio audiences.

George Siao
Studio Assistant, Foxtel
17 years in subscription television



1

2017 NRL
FOX SPORTS

2

SHARK WEEK
DISCOVERY CHANNEL

3

SELLING HOUSES AUSTRALIA
LIFESTYLE

4

TOP OF THE LAKE
BBC FIRST

5

LEGION
FX

6

THE SHANNARA CHRONICLES
SYFY

7

GENIUS
NATIONAL GEOGRAPHIC CHANNEL

8

DEMOLITION MAN
A&E

9

WENTWORTH
SHOWCASE

10

A PLACE TO CALL HOME
SHOWCASE

11

MIGHTY MAGISWORDS
CARTOON NETWORK

12

FIA FORMULA ONE
FOX SPORTS

13

GAME OF THRONES
SHOWCASE

14

PACIFIC HEAT
COMEDY CHANNEL

AUSTRALIAN VIEWING HABITS

NUMBER OF SUBSCRIBERS



7.9 MILLION VIEWERS

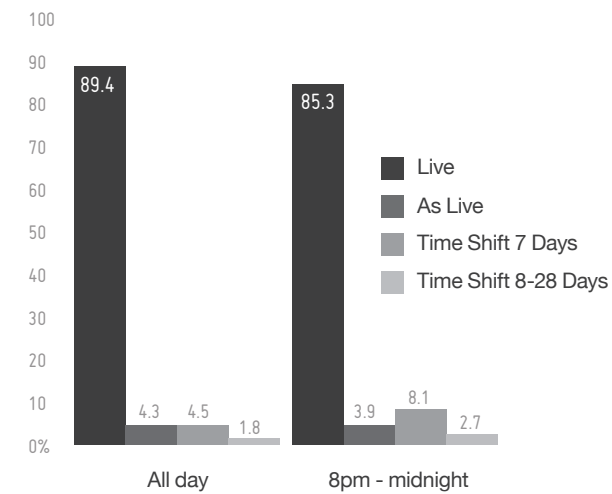


2.7 MILLION HOMES

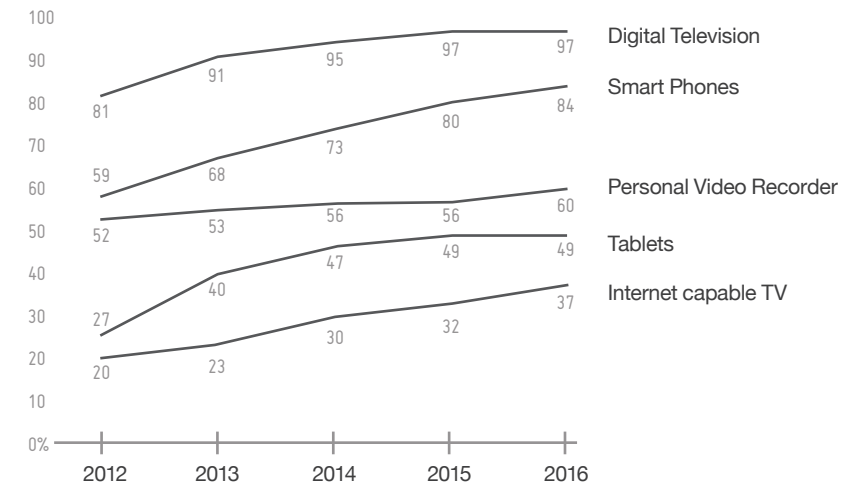


1 IN 3 AUSTRALIANS

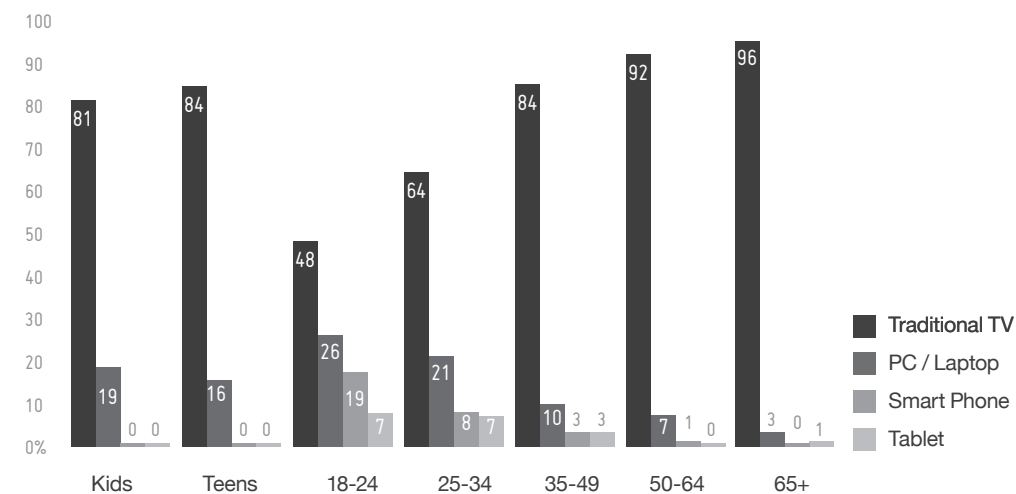
MOST VIEWING REMAINS LIVE



TECHNOLOGY IN AUSTRALIAN HOMES



TV REMAINS THE MAIN SCREEN



Source: OzTAM Multiscreen Report Q3 2016



1

2017 NRL TELSTRA PREMIERSHIP SEASON
2017 TOYOTA AFL PREMIERSHIP SEASON
2016/17 HYUNDAI A-LEAGUE
2017 VIRGIN AUSTRALIA SUPERCARS
CHAMPIONSHIP
2017 THE RUGBY CHAMPIONSHIP
2017 MOTO GP
2017 US OPEN



What gets me up in the morning and keeps me up late is content. I love the opportunity to mentor young women and ASTRA has given me the opportunity to do this.

Hannah Barnes

General Manager of the Lifestyle Group, Foxtel
25 years in subscription television

TECHNOLOGY & INNOVATION



1

FOX VISION – WORLD FIRST

Fox vision uses 360 degree video technology and augmented reality to place users inside a race car. This is a world's first application of real-time sports data and was built here in Australia.

2

LANDMARK

A world leading ad sales trading platform, the Landmark system automates the ad sales process from initial brief to final invoice, improving MCN's ability to efficiently deliver television campaigns for advertisers.

3

FOXTEL PLAY PACKAGE

Foxtel Play offers a revolutionary new approach to pricing and packaging for IP delivered subscription TV service. The move is designed to offer a new pricing model that features low cost entry points at prices that are highly competitive with SVOD services.

4

VISIBLE CLASSROOM

In partnership with the University of Melbourne, Ai-Media developed Visible Classroom, which uses captioning technology to enhance teaching and learning in classrooms all over the world.

5

4K CAMERAS

Collaborating with Sony Corporation, Global Television and Sony Australia, FOX SPORTS brought Sony's Dual 4K Camera Stitching to Australia for the first time. The super HD quality camera makes possible high quality replays by zooming into play anywhere on the sporting field.

6

KIDS APP

Designed and developed in Australia, the Foxtel Kids app offers kids and families a safe place to stream and download their favourite shows. Parents are able to manage screen time by setting a limit on the time spent watching the app and can select classifications between G and PG ratings for age appropriate viewing.

7

REVOLUTIONARY SPORTS COVERAGE

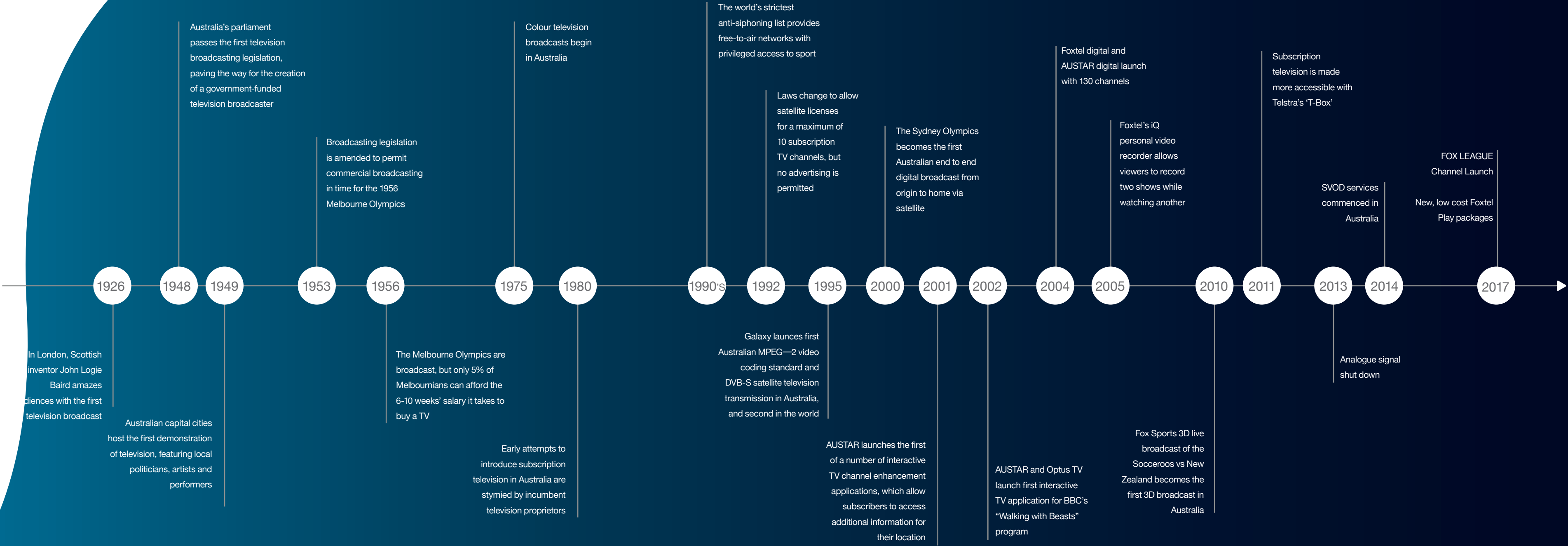
Subscription television audiences are closer than ever to the action thanks to FOX SPORTS innovations including Foxcopter, FOX Mobile, Cornerpost-cam, Hero-cam and 360 Camera, together with Refcam, Third Eye Umpire-cam, AFL Goal Umpire Camera and Helmet-cam, which use Globecast Australia's Globecam™ technology.

AUSTRALIAN TV INDUSTRY HISTORY



I work with talented people, for a company I admire, at a time of rapid change. What’s not to love? I participated in the ASTRA Leadership Program and learnt from some industry legends.

Patrick Bour
Director of Television and Marketing,
ESPN Australia
8 years in subscription television



1 ASTRA CHAIRMAN TONY SHEPHERD, ANTHONY ALBANESE MP & SKY NEWS' DAVID SPEERS IN CANBERRA

ADVOCACY

Technology and low barriers to entry mean that Australians now enjoy an unprecedented choice of exciting and inexpensive ways to watch the world’s best television programs.

More than ten million Australians now watch subscription television content at home, at work or at entertainment venues across the country.

All these services, new and old, compete for the same customers, yet do so from greatly different competitive positions – a fact which is largely due to Australia’s analogue-era regulatory settings. Many rules and regulations tie down Australian businesses but not global businesses. Further, Australia still has laws which protect old business models and penalise only subscription television.

ASTRA seeks deregulation to level this playing field. This will allow ASTRA's members to continue to offer innovative and entertaining services, which will in turn drive investment, protect Australian content creation and create local jobs.

| | Streaming services & digital platforms | Commercial free-to-air TV | Subscription TV |
|--|---|------------------------------|--------------------|
| Operates without local job creation | ✓ | × | × |
| Operates without formal licence | ✓ | × | × |
| Operates with no local content investment | ✓ | × | × |
| Free from onerous advertising restrictions | ✓ | × | × |
| Privileged access to local sports broadcast rights | ✓ | ✓ | × |
| Benefits from licence fee cuts | × | ✓ | × |
| Guaranteed access to spectrum | × | ✓ | × |
| Protected by legislated ban on new competitors | × | ✓ | × |



I love film and television as much as the business side of the industry. ASTRA does an amazing job bringing people together. Last year I joined the ASTRA Leadership Program.

Brian Vo
Business Analyst at World Movies channel, SBS
2 years in subscription television



I'm fortunate to work with wonderful people. I get to choose and program classic television series and movies. I attended the ASTRA Women in Television Breakfast. The presenters always have inspiring stories to tell.

Rose Carrick
Group Programme Manager, Fox Classics, Foxtel
21 years in subscription television



WOMEN IN
TELEVISION
BREAKFAST

Each year more than 1000 people attend ASTRA events to advance the careers of women in subscription TV.

ASTRA
CONFERENCE

The annual ASTRA conference features presentations from local and international industry leaders on content, viewer behaviour and market trends.

INDUSTRY
AWARDS

The annual ASTRA Industry Awards recognise the behind-the-scenes professionals whose talent drives the industry.

ASTRA
SPOTLIGHT
SEMINARS

Throughout the year, ASTRA hosts spotlight seminars to provide members with an opportunity to hear from industry experts.

CANBERRA
ADVOCACY

ASTRA regularly hosts politicians and government officials at events in Canberra.

GRADUATE
PROGRAM

ASTRA supports and fosters the most creative, skilled and motivated students from AFTRS, providing opportunities within the industry.

AACTA
AWARDS

ASTRA partners with the AFI for the annual AACTA Awards to promote and recognise the high quality content produced for subscription TV.

LEADERSHIP
PROGRAM

ASTRA brings together a small number of the industry's most talented individuals to meet and learn from industry leaders and one another.



I'm excited about coming to work with my fantastic team on our NRL production. It's such an exciting game. I attended the ASTRA Conference and found the Sky News team presentation fascinating.

Ben Jones

Executive Producer of NRL, FOX SPORTS
7 years in subscription television

1 LAWLESS: THE REAL BUSHRANGERS
HISTORY

2 GOGGLEBOX AUSTRALIA
LIFESTYLE

3 CMC MUSIC AWARDS
CMC CHANNEL

2 COAST AUSTRALIA
HISTORY CHANNEL

COMMUNITY & PEOPLE

Members of the subscription media industry contribute to society through a range of social and environmental initiatives.

Accessibility

ASTRA members provide captioning services for hearing-impaired viewers. Telstra provides grants to assist older Australians use smart phones and the Internet.

Young and vulnerable viewers

ASTRA's Codes of Practice ensure relevant programs are preceded by a classification message. Foxtel set-top boxes include a parental control mechanism that protects young and vulnerable viewers from inappropriate content.

Australian culture

In 2015/16 ASTRA members broadcast more than 60,280 hours of first-run Australian content. Subscription television invested \$893 million in locally produced content and filmed in over 200 locations across metropolitan and regional Australia.

Gambling advertising

ASTRA tightly restricts the content and timing of advertisements for gambling services. These restrictions are contained in legally-enforceable industry codes of practice.

Community

Aurora Community Channel broadcasts 100% locally made programs from communities around Australia plus a number of new programs from ethnic communities around Australia including Maltese, Dutch, Indian, Russian and Greek. Foxtel's Street TV program run with the Salvation Army enables young people to produce short films which are shown on TV.

Reconciliation

ASTRA participates in the Media Reconciliation Industry Network Group to promote career opportunities for Indigenous Australians. In 2016 Foxtel supported The Australian Indigenous Mentoring Experience National Hoodie Day campaign.

Sports

Foxtel, supported by Fox Sports implements grassroots sports programs across football, AFL and Rugby.

Environment

A voluntary code regulating the energy efficiency of set-top boxes established in 2009 has seen the introduction of the auto-standby feature in set-top boxes, helping avoid the emission of more than two million tonnes of carbon by 2020.

Philanthropy

Each year ASTRA members support not-for-profit causes through fundraising, marketing and in-kind support such as free airtime. Beneficiaries have included children's hospitals and wards, RUOK, Lifeline, McGrath Foundation, Redkite, Butterfly Foundation, Murdoch Children's Research Institute, Camp Quality, Garvan Institute, Youth Off The Streets, Cancer Council, Pink Ribbon Breakfast, White Ribbon Day, Opportunity International, Smith Family, CEO Sleepout, Victor Chang Cardiac Research Institute, Australian Indigenous Education Foundation, Missing Persons Week, Lifeline, Merlin (Sea Life Trust), Make a Wish, Young ICT Explorers, Prostate Cancer Foundation of Australia, National Science Week and the RSL's ANZAC and Poppy Day Appeals. Through its programs for women, ASTRA also raises funds to support charitable organisations including Second Chance, Sydney Community Foundation and Maggie Beer Foundation.

Public affairs

A-PAC provides live coverage of public events and all Australian parliaments. Through 24 hour news channels, subscription television provides Australia with continuous information about public emergencies.

Freedom of expression

ASTRA belongs to a coalition of media interests which advocates the rights of journalists to report facts in the public interest.