

14 May 2009

**TO:** ICASA Chairperson: Paris Mashile  
Independent Communications Authority of South Africa  
Pinmill Farm  
164 Katherine Street  
Sandton

By hand

Dear Sir,

**APPLICATION FOR INDIVIDUAL ELECTRONIC COMMUNICATIONS NETWORK  
SERVICE LICENCE IN TERMS OF NOTICE 329 OF 2009 PUBLISHED IN  
GOVERNMENT GAZETTE NO. 32066 OF 26 MARCH 2009**

Telkom Media (Pty) Ltd would like to thank the Independent Communications Authority of South Africa ("the Authority") and the Department of Communications for this opportunity to apply for an individual electronic communications network service license for the provision of broadcasting services.

Telkom Media (Pty) Ltd has been granted a private individual subscription broadcasting services licence by the Authority, and makes this application in terms of section 9(1) and 9(2) read with section 63(1) of the Electronic Communications Act no. 36 of 2005, and in terms of the Ministerial Policy Directive published in Government Gazette no. 331773 dated 9 January 2009.

We look forward to engaging further with the Authority regarding this application.

Sincerely



Mandla Ngcobo  
CHIEF EXECUTIVE OFFICE  
Telkom Media (Pty) Ltd

<b>1. PARTICULARS OF THE APPLICANT</b>	
<b>Full name of applicant:</b>	<b>Telkom Media (Pty) Limited</b>
<b>Designated contact person:</b>	<b>Khulile Boqwana</b>
<b>Applicant's street address:</b>	<b>Eco Fusion Park 5 Block C 2 Teak Close Centurion 0063</b>
<b>Applicant's principal place of business:</b>	<b>As above</b>
<b>Applicant's postal address:</b>	<b>P O Box 940 Irene 0062 South Africa</b>
<b>Applicant's phone number/s:</b>	<b>+2712 687 2000 +2771 602 1424</b>
<b>Applicant's fax number/s:</b>	<b>+2712 687 2081</b>
<b>E-mail address of designated contact person:</b>	<b>khulile.boqwana@ telkommedia.co.za</b>

<b>Indicate if the applicant, in the case of</b>	
<b>Natural person, is a citizen of South Africa; or</b>	<b>N/A</b>
<b>A juristic person, is, or will be, registered under the laws of South Africa and has or will have its principal place of business located within South Africa.</b>	<b>Yes</b>
<b>Indicate how the applicant, in obtaining the licence, will:</b>	
<b>Ensure that electronic communications network services are provided to persons or groups of persons from poorest communities in South Africa also ensuring within those communities diverse views are accommodated; and</b>	<b>Appendix 1.4</b>

Promote the empowerment of historically disadvantaged persons including women and the youth and people with disabilities, in accordance with the requirements of the ICT charter.	Appendix 1.4
Other (specify)	N/A
<b>If the Applicant is a juristic person:</b>	
Indicate the legal form of the Applicant (e.g. private company incorporated in terms of the Companies Act, 1973:	Private company incorporated in terms of the Companies Act, 1973
Registration number of the Applicant:	2006/003303/07
Attach certified copies of Applicant's certificate of incorporation, memorandum and articles of association or other constitutive documents of the Applicant (e.g. memorandum and articles of association, association agreement, constitution) indicating the Applicant's compliance with the requirements of section 5(8) (b) of the ECA.  ATTACH AS APPENDIX 1.1	Appendix 1.1
<b>If the Applicant is not a juristic person but intends to operate as one, if the licence that is the subject of this registration is granted:</b>	
Provide a written undertaking that the Applicant will comply with section 5(8) (b) of the ECA.  ATTACH AS APPENDIX 1.2	N/A
Indicate when and how the Applicant will comply with section 5(8) (b) of the ECA.	N/A
Provide a resolution authorizing the signatory to this application to sign this application and/or represent the applicant at the Authority's hearings in respect of this application.  ATTACH AS APPENDIX 1.3	Appendix 1.3

3. Proposed licence conditions that will be applicable:

<b>The applicant must indicate their strategy and commitment on how to meet universal access goals.</b>	<b>Appendix 1.4</b>
<b>Applicants must indicate how they will serve and empower the poor when the licence is issued</b>	<b>Appendix 1.4</b>
<b>Applicants must indicate how they will ensure that the poorest are their primary target customers.</b>	<b>Appendix 1.4</b>

## Appendix 1.4

1. Telkom Media will offer a commercial television service to all South Africans, with a particular focus on the under-served subscription television market, and the company wishes to self-provide the broadcasting signal distribution to avoid unnecessary service provider costs. Based on extensive market research, the essence of Telkom Media's value proposition is the recognition that current pay TV offerings are beyond the reach of the vast majority of South Africans.
2. In addition to contributing financially to the Universal Service Access Fund, Telkom Media will contribute significantly to the country's development goals through increased innovation and competition. Telkom Media aims to provide a quality service to South African citizens at an affordable price. Telkom Media will offer competitively priced products, including entry level set-top boxes that will give many South Africans their first realistic opportunity to access a relevant multichannel pay TV offering, with a diverse range of programming. Furthermore, Telkom Media is committed to contributing to universal access goals by carrying public broadcasting service channels as part of its service offering.
3. 84% of the ownership of Telkom Media lies within the hands of historically disadvantaged groups, and the company is committed to promoting the empowerment of historically disadvantaged persons including women and the youth and people with disabilities, in accordance with the requirements of the ICT Charter through a variety of mechanisms:

### **3.1 Procurement Policies:**

Telkom Media will be sensitive to the requirements of Government policy and legislation, and will adopt a procurement policy aimed at supporting the economic empowerment development of previously disadvantaged communities and SMME's.

### **3.2 Corporate Social Investment:**

As a model corporate citizen, Telkom Media is committed to engaging in corporate social investment (CSI) programmes such as sponsorships, the granting of bursaries and other education related assistance.

### **3.3 Programming:**

#### **3.3.1 Access policies**

In the spirit of ensuring broad access Telkom Media has made provision for subtitling capacity, enabling it to cater for deaf and hard-of-hearing viewers. Because of the difficulty of subtitling news and current affairs, Telkom Media has also included the use of sign language presenters in its planning. It is envisaged that these presenters could appear primarily on news bulletins and would use standard South African Sign Language (SASL).

#### **3.3.2 Electronic Program Guide (EPG)**

Telkom Media pledges to ensure that listings on any EPG are fair, reasonable and not unduly discriminatory. In this regard, Telkom Media pledges to provide, where practical, the features and information needed to enable EPGs to be used by people with disabilities affecting their sight or hearing or both.

Telkom Media will provide for multilingual closed captioning or sub titling and will ensure that set-top boxes (STB's) are enabled for closed captioning for specific content.

Telkom Media will ensure that the EPG is made accessible for hard of hearing and sight disabled people through exploring options such as audio descriptions and increased font sizes.

Telkom Media will ensure that there is sufficient, accessible information on how to access services for people with disabilities.

Telkom Media will further ensure that where closed captioning, sub titling, audio descriptions or sign language is provided, this availability will be clearly identified in its programming guides and in any programme schedule material provided to the public.

#### **3.3.3 Sign Language**

Telkom Media commits to provide support for sign language where it is most appropriate and is justified.

#### **3.3.4 Close Captioning**

Captioning refers to the ability to transcribe and display for viewing the audio portion of a video, film or other presentation in a manner that captures the dialogue, sound effects and identity of speakers.

Telkom Media commits to support close captioning in order to allow viewers with hearing disabilities to access its broadcasting services. Telkom Media will assess demand and applicability

of closed captioning during commissioning of content and provide close captioning where justified. Furthermore, Telkom Media commits to investigate whether and how to support close captioning in multiple languages, particularly as it applies to live programmes.

### **3.3.5 Sub-Titling**

In contrast to captioning, subtitling generally applies to pre-recorded programmes such as movies, where the intention is to convey the bulk of the audio portion of the content accurately into multiple-language text. As such, there is no need for real-time transcription and generally the text is generated by the content providers.

Telkom Media commits to support sub-titling in order to allow viewers with hearing disabilities to access Telkom Media's pre-recorded broadcast services. Telkom Media will assess demand and applicability of sub-titling during commissioning of content in order to provide these services where sub-titling is available from content producers and is justified.

## **3.4 Internal Staffing Policies**

Employees from historically disadvantaged groups will be represented in all areas of skill and responsibility in pursuance of Telkom Media's policies and labour agreements and as a socially responsible employer. To achieve these ends the company shall:

- pursue policies, practices and procedures such as recruitment and selection, training and development, promotion and placement, performance management and remuneration to ensure that previously disadvantaged groups fulfill a significant role in Telkom Media's business processes and operations;
- monitor progress on employment equity and report regularly to the Board of Directors;
- assess each manager on the achievement of employment equity objectives and targets within the performance management system; and
- promote black economic empowerment by involving disadvantaged members of the community in business opportunities, educational upliftment and in the design of our products, services and delivery.