From:	Managing Director's Office	
Sent:	Tuesday, 21 April 2020 9:02 AM	
То:	James Taylor	
Cc:	Shelley Taplin	
Subject:	Letter from David Anderson, ABC Managing Director	
Attachments:	Letter to SBS MD James Taylor from David Anderson ABC MD ABC - SBS Collaboration Letter	
	200421.pdf	

Dear James,

Please find attached correspondence from David Anderson, ABC Managing Director.

Kind regards,

Jo

×	<b>Joanne Sanders</b> Executive Assistant to the Managing Director
	P: +61 2 8333 5342 M: E: managingdirectorsoffice@abc.net.au
	We acknowledge Aboriginal and Torres Strait Islander peoples as the First Australians and Traditional Custodians of the lands where we live, learn and work.

Document 1 attachment



Tuesday 21 April 2020

James Taylor Managing Director Special Broadcasting Service 14 Herbert St Artarmon NSW 2064

Dear Mr Taylor,

## ABC–SBS collaboration on shared savings initiatives

Firstly, I hope you and the staff at SBS are safe and well during these challenging times.

As I noted in my letter of 10 March, the ABC and SBS have previously collaborated on a range of activities that have yielded efficiency benefits for both organisations. In recent years, such collaborations have included jointly negotiated contracts for digital television transmission, satellite distribution, a content delivery network and captioning, and content-sharing arrangements for domestic news footage and Indigenous programming.

Both of our organisations face the need to realise savings over and above the general obligation to make the most efficient use of public funds. The challenge of doing so has been deepened by the Covid-19 pandemic affecting Australia and the world.

In the face of the disease, the ABC has modified its response to the indexation pause on its triennial funding by delaying savings measures entailing staff redundancies; nevertheless, the need to find savings of least \$40m per annum by FY22 remains. It is likewise my expectation that Covid-19 is putting pressure on advertising revenues, which make up a significant proportion of SBS's budget.

I would like to propose that the ABC and SBS consider what additional shared savings opportunities might exist, so that we can continue to deliver vital services to the people of Australia both now and as the current crisis slowly lifts. As part of such a process, I would suggest that we re-examine a number of potential opportunities on which we were previously unable to find common ground. I believe that there may be scope for shared savings through areas such as: location sharing, including potentially within the ABC's Ultimo premises; joint contracts for services such as travel management, on-site security and cleaning; joint procurement of good and services, including stationery, software and field equipment; and technology-based opportunities, including playout via Media Hub, joint contracts for internet and telephony services, shared access to outside broadcast vans, and the joint development of an online video platform.

In relation to service-related contracts, such as travel, the ABC does not assume that its current arrangements offer the greatest possible savings and would be more than willing contemplate the services of SBS's current providers, or vice versa, of course.

If you are interested in proceeding with a joint review of possible savings of this kind, I would suggest that the next step be the formation of a small working group comprising senior staff from the ABC and SBS, meeting remotely to begin. I would nominate the ABC's Chief Financial Officer, Mel Kleyn, and its Director of Strategy, Mark Tapley, as the primary ABC representatives on such a group.

I look forward to your thoughts on this proposal.

Yours sincerely,

David Anderson Managing Director

From:	Shelley Taplin <shelley.taplin@sbs.com.au></shelley.taplin@sbs.com.au>
Sent:	Wednesday, 29 April 2020 1:08 PM
То:	David N Anderson
Cc:	Managing Director's Office
Subject:	Letter from James Taylor, SBS Managing Director
Attachments:	Response to David Anderson 29 April 2020.pdf

Low

Dear David,

Importance:

Please find attached correspondence from James Taylor, SBS Managing Director.

Kind regards, Shelley



Shelley Taplin Executive Assistant to James Taylor Managing Director Shelley.taplin@sbs.com.au SBS 14 Herbert Street Artarmon NSW 2064 Australia M: \_\_\_\_\_\_ T: +612 9430 3801 sbs.com.au



SBS acknowledges the traditional owners of country throughout Australia.





Mr David Anderson Managing Director Australian Broadcasting Corporation ABC Ultimo Centre, 700 Harris Street Ultimo NSW 2007

29 April 2020

Dear Mr Anderson,

## Savings collaboration

Thank you for your letter of 21 April 2020, regarding collaboration on potential shared savings initiatives. Of course I agree that it is imperative for our organisations to find all possible savings and efficiencies, particularly at this challenging time.

As discussed I was somewhat perplexed at your suggestion of the establishment of a working group, given that work has been ongoing between our two organisations to explore shared savings for more than a year following the conclusion of the *Review into the Efficiency of the National Broadcasters.* 

This process commenced with meetings last year between Mick Millett, Emma McDonald and Mel Kleyn from the ABC, and Nitsa Niarchos and Clare O'Neil from SBS.

Since that time a range of opportunities for savings and joint procurement have been and continue to be explored, with 13 opportunities either realised or in progress, including CDN, co-productions, captioning, DAB, VAST, and playout.

A further tranche are slated for consideration over the coming year as the process continues. Our CFOs and CTOs are in regular contact on these matters and the current projects completed or under consideration have been communicated by SBS to the Minister Fletcher's office in February this year, after prior endorsement of that list by Mel Kleyn.

Per my recent conversations with you I do not believe that SBS staff co-locating to an ABC location in either Sydney or Melbourne is a feasible or desirable option for a range of reasons, including current long-term SBS leasing arrangements in Melbourne which were facilitated by a generous lessor incentive, and your view that there is insufficient available space in Ultimo (even following a restack of the existing floorplate). Given our shared view on this matter and the fact that it has been comprehensively explored and discounted on a couple of occasions, I do not believe there is utility in our respective teams expending further resources on this measure.

I refer to your letter of 10 March 2020, where you provided an assurance that the ABC has no desire to offer specialised language services tailored to the specific needs of migrant communities of the kind that SBS does. I also note that the co-operation between our organisations in relation to COVID-19 has been commendable. I understand that the ABC has commissioned some COVID-19 social media infographic work in a range of languages including Arabic, Vietnamese, Greek and Italian. As SBS is undertaking such work already, the avoidance of such external expenditure by the ABC may present some savings opportunities, particularly given the constraints you have raised in your most recent letter.

I welcome your commitment to this ongoing process and I'm pleased that you and I are aligned on the importance of this work. I look forward to our continued constructive collaboration on these issues.

Yours Sincerely,

James Taylor Managing Director

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