

25 August 2009

Dear Clients and Agency Partners

We are writing to confirm and clarify recent media reports that TVNZ is reviewing pricing and commission structures.

The impact of the recession on all our businesses has heightened the need for us all to be adaptive to the rapidly changing market and competitive landscape.

Client advertisers are telling us they want far greater transparency of pricing for media, particularly television, and some Agency and Media are telling us the existing system is outdated and in need of reform.

Certainly from TVNZ's perspective, we are more focussed than ever on listening to and responding to the needs of our clients and consumers, and it would therefore be contrary to our core values around client and customer for us not to respond.

We do believe that the current system of pricing and commissions requires reform.

We can assure you that we will share our thinking and consult appropriately with clients, agency partners and industry bodies before we make any final decisions.

In addition we can promise you that there will be no TVNZ price increases to advertisers as a direct consequence of any changes we might make. For example if commissions were to be reduced or eliminated, the full impact would be passed on to advertisers as a price adjustment.

We can also promise you that we will strive to constantly innovate in bringing new advertising solutions and technologies to market that will be priced attractively and competitively to help you meet your business objectives.

Finally, any changes we might make would be unlikely to come into effect until mid 2010.

Please feel free to contact us directly if you wish to discuss further at this juncture.

Kind regards.



Rick Ellis
Chief Executive Officer



Dave Walker
Head of Advertising Sales