



May 6, 2019

**Alee Fa'amoe**

**Acting Chief Executive Officer, Executive Director of ICT**

Utility Regulation and Competition Office (OfReg)

3rd Floor, Alissta Tower, 85 North Sound Rd.

Grand Cayman, Cayman Islands

Dear Mr. Fa'amoe,

I am writing to you in relation to the lack of financial viability of Hurley's TV Ltd., a current licensee of OfReg and the only Free-to-Air (FTA) licensee that has specific requirements as it relates to local content. As the current situation stands, Hurley's TV Ltd. and its channel Cayman 27 will cease to exist as the country has come to know it since its inception in 1992.

The direness of this situation cannot be over stressed. After 27 years of serving the Cayman Islands faithfully in spite of increased licence requirements, Cayman 27 can no longer continue to operate as we know it today. As noted in your letter dated April 29, 2018, Hurley's TV Ltd., now owes \$103,619.71 to the regulator for royalty fees dating back to January 2017.

The financial situation of Hurley's TV Ltd./Cayman 27 has always been known to the regulator. During OfReg's last consultation period in 2015 looking at the future of local television broadcasting (OfReg was then the Information and Communication Technology Authority), numerous submissions were made pointing out that the market is simply too small to support multiple television stations and that Cayman 27 has never been profitable as it had been subsidised by its parent company (now defunct and absorbed by cable provider Logic) WestStar as part of its own cable licence requirement that it provide local content. In 2015, Cayman 27, Island 24 and Discover Cayman was acquired by Hurley's TV Ltd. Since then, Discover Cayman is no longer operational and Island 24 shows a repeat of content from Cayman 27 as a result of strained resources.

The below outlines our position:

- Since its inception, Cayman 27 has been the gold standard for providing breaking news and up-to-date information to residents through its FTA channel. The channel has consistently provided local content comprised of news, weather, sports, talk shows and provides public access to Caymanians who create suitable content.
- Cayman 27 has made its mandate to ensure there is accurate, unbiased and fair news dissemination across its FTA, cable and digital platforms as much as possible. The channel also provides hurricane information, political discourse, movies and other local content generate by local talent.



- Cayman 27 is a vehicle through which Caymanians receive on-the-job training in television journalism and television broadcast production – two different yet related functions. Through those two avenues, other jobs are created: graphic creation, audio production, filming, voice tracking, editing, channel control operation, lighting, research projects, show directing, engineering, show producing, journalism, accounting, sales etc.
- Cayman 27 is the only venue through which each of those listed jobs are provided. Countless Caymanians continue to pass through the doors of Cayman 27, seeking a chance to learn the tools and skills of the trade. We also take the time and effort to train Caymanians who are deficient where soft skills and English language writing and comprehension are concerned, guiding their work day through their willingness and desire to learn. Today, Caymanians who we have trained are now elected officials, government employees, film producers, event organisers, PR specialists, university students pursuing their bachelors/masters degrees - all meaningful contributors to life in the Cayman Islands.
- Cayman 27 employs Caymanians across news, master control, production, sales and engineering - employees who have dedicated themselves to serve the community through video and television production. As such, the cultural and social impact of Cayman 27 cannot be ignored.
- Cayman 27 has become the great archive for historical events on the islands, ensuring viewers have access through FTA, cable and digital platforms. Recently, the UK Royal Visit was broadcast live to the country through Cayman 27. Without the expertise and capabilities provided by Cayman 27, that coverage could not happen. Footage encapsulated the landing of HRHs Prince Charles and Duchess Camilla on Caymanian soil and the investiture ceremony at Pedro St. James. It was not lost on us that, a few weeks ago, the Premier's Office chose to share a Cayman 27 1994 documentary of the previous UK Royal Visit – HRH Queen Elizabeth. Without the digitisation of this Cayman 27 footage, the country today would not have a visual narrative and recording of that historic visit.
- Other impacts include news coverage of cultural and community events, talk shows focusing on culture and community, and broadcasts of national events like Pirates Week.

We are of the belief the current playing field is not fair. We have stringent requirements placed on our licence that we strive to fulfill everyday. However, there is no financial support from the cable/broadband licencees who have a requirement to carry local content. Of note:

- Local content should comprise live news, live broadcasts of community and sports events, government information, weather updates, educational, religious and cultural programming. At this stage, no other channel provides those components, except for Cayman 27.
- We also note there are television cable operators who are not fulfilling the requirement to show or produce free local content as required by their licences. This topic reared its head recently in the Legislative Assembly at the April 5 Finance Committee meeting where lawmakers pointed out that carrying the government channel is simply not enough in terms of providing free “local content” to viewers.



- The last comprehensive scientific poll carried out was by Marshall Marketing, commissioned in 2013, which provided a Cayman Media Market profile report. That report showed that more than 50 per cent of the population watched local news regularly and that Cayman 27 was their source of local news information and public service announcements.

Cayman 27 remains committed in its desire to continue long standing service to the country. The channel has proved itself to be a corporate citizen of the highest caliber. Yet support for its services is severely lacking. **Without a monetary contribution from all broadband connections, Hurley's TV Ltd., will have no choice but to terminate the channel's current programming as it is unsustainable under its licence requirements.**

We are respectfully asking OfReg to work with us to aggressively and urgently pursue a viable solution in order to retain the licence: one that is fair, equitable and takes into consideration future trends so that Hurley's TV Ltd. can continue to serve and meet the local population's needs and expectations.

Thank you in advance for your consideration of this matter.

Kind regards,

A handwritten signature in blue ink, appearing to read "Tammi Sulliman", with a stylized flourish at the end.

Tammi Sulliman  
Television Station Manager