

**Proposals for the setting of regulatory fees for video on demand services  
for the period up to 31 March 2011**

Response from SeeSaw IPTV Limited

SeeSaw agrees that, in principle, linking fees to revenue would be more equitable than a flat fee. However in a market as nascent as that for the provision of VOD services, there is insufficient certainty for this to be administered simply and efficiently, and considerable risk of it generating either a significant shortfall or significant excess in revenue. Revenues in the sector are hard to predict (and profit, and therefore ability to pay, harder still).

Similarly while the principle of “polluter pays” has an appeal, in a market where consumers are still disproportionately early adopters, the number of complaints this year are not likely to require much more regulatory attention than they did during the period of self-regulation.

Consequently SeeSaw agrees that a flat-rate fee would be the simplest, and cheapest, means of collecting revenue, at least for this initial charging period. Later, when market conditions make it more practical, a move to a revenue-based fee could be considered again.

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