

## **Response to Consultation on Content management on the HD Freeview platform**

### **About Arqiva**

Arqiva has its headquarters in Hampshire, with other major UK offices in Warwick, London, Buckinghamshire and Yorkshire. It now has 9 international satellite teleports, over 70 other manned locations, and around 9000 shared radio sites throughout the UK and Ireland including masts, towers and rooftops from under 30 to over 300 metres tall.

The company is owned by a consortium of long-term investors, comprising the Canadian Pension Plan Investment Board (CPPIB), and Macquarie entities, and other long term investment funds and has 3 operating divisions: Terrestrial Broadcast, Satellite & Media and Wireless Access.

Arqiva is technology- and service-neutral and operates at the heart of the broadcast and mobile communications industry. We are at the forefront of network solutions and services in an increasingly digital world. The company provides much of the infrastructure behind television, radio and wireless communications in the UK and has a growing presence in Ireland, mainland Europe and the USA.

Arqiva is a founder member of Freeview (Arqiva broadcasts all 6 Freeview multiplexes and is the licensed operator of 2 of them) and was a key launch technology partner for Freesat. Arqiva is also the licensed operator of the Digital One national commercial DAB multiplex.

In addition for broadcasters, media companies and corporate enterprises Arqiva provides end-to-end capability ranging from –

- outside broadcasts (10 trucks including HD, used for such popular programmes as Antiques Roadshow, Question Time, Proms in the Park, and a wide range of sporting events);
- satellite newsgathering (30 international broadcast SNG trucks);
- 10 TV studios;
- spectrum for Programme-Making & Special Events (PMSE) through JFMG;
- playout (capacity to play out over 70 channels including HD); to
- satellite distribution (over 1200 services delivered).

Arqiva recently launched the SeeSaw Video On Demand service with an initial 3300 hours of content from BBC, Channel 4, Five, TalkbackThames, Shed Media and others.

In the communications sector the company supports cellular, wireless broadband, video, voice and data solutions for the mobile phone, public safety, public sector, public space and transport markets.

Major customers include the BBC, ITV, Channel 4, Five, BSkyB, all five UK mobile network operators, the Metropolitan Police, Classic FM, Viacom, Turner Broadcasting and the RNLI.

## Introduction

Arqiva believes that the balance of advantage for the long-term health of Freeview, and inter-platform competition, is for the BBC's proposals to be approved.

There is a potential for inappropriate implementation to result in detriments to consumers, therefore Ofcom should consider issuing guidance on the use of content management and monitor its impact. On behalf of consumers, Ofcom must be alert to the potential for the introduction of content management to lead to "restriction creep".

## Answers to questions

*Q1: Do you agree that copy management would broaden the range of HD content available on DTT and help secure its long term viability as a platform?*

Yes. The long-term viability of the Freeview platform, and continuing healthy inter-platform competition, requires that a wide range of HD content is made available to broadcasters for distribution via that platform on similar terms to its distribution on competing platforms.

Specifically, consumer confidence in Freeview would be undermined if its adopters frequently faced "black screens", or the substitution of content likely to be perceived by most Freeview users as being less attractive, when the content they had sought to watch was available in neighbouring households which had adopted alternative distribution platforms.

Consequently, with the information currently available and the desire to provide comfort to manufacturers currently investing in a range of HD receivers, Arqiva believes that copy management may broaden the range of HD content available on DTT and would probably help secure its long term viability as a platform.

*Q2: Do you agree that the BBC's proposed multiplex licence amendment represents the most appropriate means for securing an effective content management system on HD DTT?*

Yes, given the pressure which the PSBs are undoubtedly coming under from rights holders the proposed multiplex licence amendment probably represents the most appropriate means of de-risking securing the highest-value free-to-air HD content for distribution on Freeview on similar terms to its availability for distribution on competing platforms.

*Q3: Do you agree with the proposed change to Condition 6 in the Multiplex B Licence?*

Yes, but the BBC's proposals as detailed in paragraph 3.16 should also be enshrined in the multiplex B licence.

*Q4: Do you agree that Multiplexes C and D should be granted a similar amendment to their Licences as Multiplex B?*

Yes.

*Q5: Do you agree that the BBC's proposed approach for implementing content management would safeguard citizens and consumers legitimate use of HD content, and if not, what additional guarantees would be appropriate?*

See answer to Question 3 above for multiplex licence amendments.

In addition Ofcom should monitor the application of copy management, to ensure that consumers' ability to enjoy HD content is only restricted to the extent necessary to protect undue cannibalisation of revenue streams.

Arqiva believes that Ofcom should consider issuing guidance to the BBC and other broadcasters of HD programming on multiplex B as to when it would be appropriate to set states other than *unrestricted copy* (where we note that the BBC indicates that it intends to apply the *multiple copy* state to the majority of its HD content yet, as HD production gradually becomes the norm, there will be an increasing range of in-house HD content for which this state could represent an inappropriate restriction on consumers' 'fair dealing' rights).

Without such guidance, as with DVD region coding, there will be a considerable risk that rights holders would contractually require inappropriate restrictions on the enjoyment consumers could obtain even when the original criteria for such restrictions weren't present.

Ofcom should also monitor the signalling by relevant broadcasters and in listings of the implementation of the *Multiple copy* and *Managed copy* states and conduct research to ensure that consumers, both those who have HD receivers and those who are considering their purchase, understand the implications.

*Q6: Do you agree that the BBC's proposed choice of content management technologies will have only a negligible impact on the cost of HD DTT receivers and their interoperability with other HD consumer equipment?*

No comment.

*Q7: Do stakeholders agree that the BBC's proposed Huffman Code licensing arrangements would have a negligible effect on the market for HD DTT receivers?*

No comment.

*Q8: Do the BBC's proposed content management states and their permitted use for different categories of HD content meet the requirements of other HD broadcasters on DTT?*

Arqiva agrees with Ofcom that "free to air HD broadcasters on Multiplex B should seek to apply the minimum necessary level of content management to HD programmes to prevent undue restrictions being placed on legitimate use of content by citizens and consumers" - and those consumers will look to Ofcom to monitor and enforce that.

*Q9: Are there any issues that you consider Ofcom should take into account in assessing the BBC's proposal, that have not been addressed by this consultation?*

No.