

Name and title under which you would like this response to appear:

Anonymous 144

Representing:

Self

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Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Question 1: To what extent do you consider that DTT, DSat, cable and IPTV are in competition with one another for subscribers of pay TV services ? either at present or in the future?:

I believe that there is competition between satellite and cable. However the limited amount of capacity for new channels on DTV at the moment, limits how competitive it can be in the Pay TV sector. Many, especially the elderly and disadvantaged however are not interested in pay TV. It is a great concern that if the amount of pay TV were increased on the platform, this would be at the expense of existing choice for these consumers, some of whom are the more vulnerable members of society.

Question 2: To what extent do you consider the Proposal is likely to deliver benefits to the consumer?:

Rather than benefiting, the consumer is likely to be disadvantaged considerably by these proposals:

- Existing Freeview customers

Will lose the channels that Sky currently supply for free on the freeview platform, unless they wish to purchase a subscription and a new set top box

- Top up TV customers

Will have to purchase another box, and an extra subscription to view sky channels

Confusion will be caused by the fragmentation of the platform, and the number of free channels available will be reduced. A consumer who wants premium channels will be forced to pay a lot for money for two boxes and two subscriptions, or choose between Sky and Topup TV's channels. This will either kill pay TV on the freeview platform, or if Sky manages to get larger number of subscribers, kill Top Up TV and allow Sky to takeover the pay component of the freeview platform. Either way, with the exception of Virgin media, Sky would have more or less have monopoly on pay TV in the UK.

If Sky wish to offer premium channels, they should be forced to so through top up TV to avoid the fragmentation of the platform. Channels which are currently free on the freeview platform should continue to be available for free.

Question 3: To what extent do you consider that there is scope for sustainable competition in pay TV on the DTT platform and, more broadly, across all pay TV platforms?:

On the same platform, there is very little scope for competition between channel providers, if it means paying two sets of subscriptions and two boxes. TopUp TV will probably go out of business. There is considerable scope for competition between platforms, provided that channel providers are forced to offer ALL of their channels on all platforms on the same terms, which should be commercially competitive. DTT is at a considerable disadvantage however, because of the small number of channels that it is able to offer. Those operating a particular platform should be able to purchase any channel such as Sky One, on the same terms as they are on other platforms. DTT, cable, and satellite all have different advantages and disadvantages. Cable isn't available in all areas, and for people in a conservation area or rented accommodation may not be able to erect a dish for example, so there is plenty for room for competition between different delivery methods.

Sky is distorting the market because it appears that to want to have a monopoly on controlling broadcasting platforms, by providing a number of their channels only on platforms that they defacto control. First channels such as Sky One have been removed from cable, and now they wish to remove the small number of free channels they supply from Freeview.

Question 4: What are likely to be the key aspects of competition between providers of retail pay TV services on the DTT platform? E.g. what is the role of premium sports and movies content?:

Premium Sport and Movies Content is important for many, but also "cult" TV series such as Lost or Stargate are very important for many others. It would seem that Sky has all the best content in these areas, and that Top up TV would not survive competition from Sky for very long.

Question 5: Do you consider that if Sky were to become the only provider of pay TV on the DTT platform it would be likely to have a

significant detrimental effect on competition in the long term? How might this affect the development of other platforms for the delivery of pay TV services?:

If Sky were to become the only pay TV operator on the Freeview platform, with the exception of Virgin Media they would more or less have a monopoly in UK pay TV. Certain popular American TV series are only available on Sky One, which isn't available on Virgin Cable at the moment. The effect of this is that there would be no choice but to pay Sky money if you want to watch those TV shows legally. As far as Sport and Films are concerned, they have a lot of the best content tied up and available only on channels they control, and a number of these channels will only be available on platforms they control. In instances where they are forced to provide channels such as the Sports channels other platforms, they simply move some football matches to other channels such as Sky One, which for the most part aren't available to consumers on non Sky Controller platforms. The effect is there would be very little competition on pricing of this content, and that consumers would either have to pay whatever Sky demands, or else go without it. This is obviously not in the interests of the consumer.

Question 6: To what extent, if at all, do you consider that the Proposal would be likely to lead to any of the public policy concerns outlined at Section 4?:

If Sky were left as the only pay TV provider on DTT, they would have a monopoly across both DTT and satellite. Virgin Media would be in an even weaker position, and Sky could put up their prices to whatever level they please.

Question 7: Specifically, to what extent do you consider that the Proposal would be likely to lead to consumer confusion?:

The need to purchase more than one box to watch different premium channels, even though they are on the same platform (DTT) will cause considerable confusion, especially amongst more vulnerable members of society, and put Freeview at a considerable disadvantage. Apart from the expense, multiple boxes need to be connected up using like Spagetti of wiring and then there is a problem of how to record from those channels. If you wish to have satellite or cable, the average consumer only needs single box which many cases will act as a digital TV recorder and record TV programmes as well.

Question 8: To what extent do you consider that it is beneficial for consumers to be able to obtain Sky and existing DTT pay TV content without having to purchase separate STBs?:

It would be beneficial to be able to obtain Sky's existing channels on DTT without the need for an extra STB, but not at the expense of making existing channels that they provide, premium channels and weakening choice for those who do not wish to pay a subscription. If as seems likely it causes weakening of choice for non subscribers, it might be better if these pay channels aren't available on freeview.

Question 9: Do you consider that the Proposal might lead to any additional public policy concerns:

My perception, and those of many other consumers is that the regulator OFCOM is more interested in protecting the interests of big business, rather than the consumer. The very name of a previous consultation, "The Digital Dividend" seems to imply that it is about the dividend for the government of auctioning off frequencies used for analogue TV, rather than any benefit or dividend for the consumer. Should OFCOM decide to allow Sky TV to go ahead with these proposals in any form, even with conditions attached, the credibility of the regulator will be further damaged, since it is would not in the consumers interests and will be widely perceived in this way. Already companies owned by Rupert Murdoch control large segments of the media in the UK, from Sky TV, to national newspapers, to their shares in ITV. I'm sure his representatives will have been lobbying OFCOM extremely hard in order to get these proposals accepted, and I note that they are arrogant enough to begin marketing this new service long before OFCOM have accepted that they should be allowed to go ahead with it. Will the voice of the consumer be listened to, or will this submission be ignored? In the end who will run Britain, the people, or Rupert Murdoch by shaping them with his views through the media he controls. I don't have anything at all against Sky, but surely one of the functions of a regulator is to limit the amount of power and influence in the hands of any one organisation or person. This isn't just about competition. Without a diverse media, eventually our very democracy itself will be threatened.

Question 10: If Sky becoming the only provider of pay TV services on the DTT platform were likely to have a significant detrimental effect on competition, do you consider that it is possible to address this through a set of additional conditions and/or directions? If so, what form should those conditions/directions take?:

If Sky were to become the only pay TV operator on DTT, I believe it would not be possible to address this lack of competition through regulation. What is needed is healthy competition in the pay TV sector. The only effective means for doing this would be to ensure that:

- No single company is allowed to control more than one pay TV platform. (Although Sky claim that the satellite platform is an open platform, they effectively control it through the EPG and encryption)
- No company should be allowed to run channels, and control a TV platform. For example, Sky should be split up so that control and ownership of the company which runs the epg and encryption of channels is separate from the company which provides the channels.

Additional comments: