

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

Anonymous 179

**Representing:**

Self

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**If you want part of your response kept confidential, which parts?:**

**Ofcom may publish a response summary:**

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?:**

These are both competing and complementary technologies . D-SAT represents the current dominant technology for pay-TV in the UK, although it is clear that IPTV has the potential to erode this position. Cable does not enjoy a large UK market penetration, in part due to technological restrictions and in part due to platform history. In the future it s possible that Cable and IPTV will merge in technological concept, D-SAT will remain as a technology capable of supporting subscription based TV platforms, but its attractiveness will diminish as a mechanism supporting pay-per-view in favour of server based IP delivery.

DTT, with its limited capacity, does not present a delivery mechanism suitable for building a subscription based TV service except in a marginal sense. It does however present an opportunity for the development of localised services and for distribution of basic TV services to portable, mobile or secondary receivers.

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

Given the flexibility of alternative platforms capable of supporting a viable subscription TV service, it is difficult to see how utilising DTT capacity to support a subscription service would deliver any benefit to the consumer.

**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?:**

The D-SAT platform is inherently competitive at its transport layer, two space segment operators compliment multiple uplink operators. The installed base of domestic mini-dish/LNB equipment presents an opportunity to launch competing subscription TV platforms utilising common uplinks of FTA programme content with the potential of FTV and primary content being served by simul-crypt.

Inherent DTT capacity limitations imply that a pay TV platform could only exist here in a strictly limited sense, such as download based services such as "Sky Anytime" delivered out-of-hours in marginal time. It is difficult to envisage how platforms competing on even this limited scale could be accommodated on the DTT platform

**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?:**

Is difficult to see how rival platforms could provide separate premium content streams necessary to maintain competition between platforms.

A viable alternative may see rival platforms using otherwise marginal capacity to distribute premium/primary content to PVRs and to augment this service by IP delivery.

**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?:**

Sky's presence as a subscription operator on the DTT platform would limit the potential of the platform to support additional services, such as more localised TV. It would be likely to inhibit competition by allowing one operator to be a dominant operator on the two main platforms.

**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?:**

DTT as a platform contains limited capacity, this capacity uses spectrum which is also in demand for other non-TV services.

As well as deriving public revenue for usage of UHF capacity the regulator and the Crown have a duty to ensure that a high level of public utility is derived from usage of the UHF broadcast bands. This would be maximized by extending choice and diversity amongst the free TV offering, rather than in using scarce bandwidth to accommodate a small/marginal user closed subscription service.

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

The concept of the "Freeview" platform has cemented in the public mind the nature of terrestrial broadcast digital TV being free -to-air and essentially a replacement/augmentation of the existing analogue services.

**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?:**

The generic subscription box model does not apply in the UK, this is a legacy from the analogue subscription era when Astra services operated divergent subscription models in the UK / Germany.

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

The proposal may unnecessarily add complication to the DSO process through public confusion and by withdrawing free capacity from DTT. Reducing the number of available free services, and the scope for divergent services will hinder the take up of DTT prior to DSO, making the marketing effort being mounted by DigitalUK more complex and costly, and presenting risk to the process.

**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?:**

No, no conditions could remedy the fundamental loss of capacity to the free DTT platform, nor the resultant confusion.

**Additional comments:**