Title:

Mr

Forename:

Surname:

Condon

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

Not a picnic, more a curly wurly!

Representing:

Self

What do you want Ofcom to keep confidential?:

Keep nothing confidential

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:

Yes

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?:

This question implies that pay TV meets a universal customer need for a premium service. In reality those paying for Sports are not likely to see a pay for Movie channel as a substitute. Linear sports especially in HD and with multiple camera options may not lend themselves to an IPTV service for some time. On the other hand a movie might. Unless all platforms have all pay TV options then they are not fully competitive.

Analogue FTA currently does not have premium pay and has been a very successful platform against cable and satellite. Simply making it available is not increasing competition especially if the revenues flow back to the same channel/rights holder regardless of the platform.

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

Apart from the immediate benefit of being able to receive some premium content on a pay for basis the consumer will lose out in the short term and maybe in the long term too.
1) The Freeview concept is easy to understand and BSkyB is adding to the confusion.
2) Consumers that have recently purchased set to boxes, PVR?s and integrated TVs, will need to reinvest before the end of their equipments useful life to take advantage of the new service. Not only a financial implication but also an ecological implications as obsolete devices are disposed of.
3) What is to stop another service from using another CA system next year.
4) What stops BSkyB from using the DTV channels as a feeder of new customers to their Dsat platform? e.g. showing some matches on Sky Sports One but higher profile matches on Sky Sports XXX ? thereby highlighting the limited channels available on DTV and encouraging consumers to switch to the DTH platform.
5) What stops BSkyB from taking Sky Sports One off of Virgin Media once it has established itself on DTV (reducing customer choice).
Some of these may never happen but add to the confusion and risk of the consumer when investing in TV?s, set to boxes and other devices. It could cause them to stop migrating and sit back and wait to see who is the winner ? similar to what is holding back the take-up of Blueray and HDDVD.

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?:

I think the scope for pay for TV should be limited as: -
a) There are lots of FTA channels that want, or may want (when it has grown), to get onto DTT
b) DTH, Cable and increasingly IPTV provide good pay for TV platforms and have (or will have) similar or better footprints to DTT

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?:

Competition will be limited to the rights deals that the channels do in Sports. This could result in a channel coming off air if it lost a significant rights deal. The winning channel success will be on its ability to monetise that content across a number of outlets while keeping their cost base down.
A bidding war for rights could result in over bidding and or driving competition out of business (reducing choice), and/or see a reduction in production quality as costs are cut (reducing the consumer experience) and/or see more of the current (limited) sports

on FTA channels move into the pay for TV arena (forcing consumers to spend on pay TV services).

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 became the only provider of pay TV on the DTT platform it would have a significant detrimental effect on competition. As an example the £360 million in UK premier football rights is recovered through the subscriptions paid by pubs and clubs. Consumers and advertisers provide the profit. Increasing Sky?s customer base to include DTT customers will increase the revenue they earn at minimal costs and enable Sky to be more for rights renewals that perhaps they otherwise would. Outbidding Sky would present a considerable risk barrier to competition entering the market on any platform.

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?:

I think that the likelihood of most of the ?Other policy considerations? would be high.

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

Highly likely

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?:

Very highly benificial

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

Also think that Sky will be more likely to continue its strategy of buying up popular US content once proven on the PSBs. such as ?24?, ?Prison Break?, ? Lost?, ?Star Trek? franchise and ?Simpsoms?. With Sky on the same platform this strategy will likely lead to more effective pull through and reinforcing the behaviour. This will increase the cost to PSB?s in bidding, increase the risk as they buy/develop new unproven content Restrict access to popular content to those that can afford to pay for it or force people that can?t really afford it to take on subscriptions.

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 became the only provider of pay for TV services I don?t think that a set of conditions and directions would be comprehensive enough to prevent Sky form finding and using loopholes.

Additional comments: