



The **WALT DISNEY** Company Limited

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Dear Steven

**Ofcom Consultation on Proposed BSkyB Digital Terrestrial Television Services: Disney Response**

I write in response to Ofcom's above mentioned consultation. This response is submitted in the context that Disney has recently concluded an agreement with Sky to distribute a Disney branded channel on Sky's DTT platform, subject to any consents or conditions that Ofcom may require of Sky. On the basis that Disney wholesales channels to distributors, rather than retails them to end consumers, Disney's response is confined to questions regarding the potential benefits of having an additional Pay DTT operator in the United Kingdom.

The strategy for Disney Channels in the United Kingdom is to provide a high quality kids and family entertainment service to as many consumers as possible across multiple platforms. Our business model is subscription based and we do not carry any advertising on our television channels.

At present, Disney considers that consumers in the United Kingdom have a choice of pay television platforms. Today, consumers receive Disney Channels via DTH, cable, IPTV and programming from Disney Channel (and Playhouse Disney) via DTT through Top Up TV's service. Disney is keen however to make available Disney Channels to an even wider audience such as the DTT audience. Given that Disney Channels are advertising free, Disney hopes that the potential expansion of Pay DTT in the United Kingdom is likely to assist in achieving this goal and in the process, widen consumer choice even further.

Disney has in fact licensed several channels to Pay DTT platforms in other markets, such as Scandinavia, where our experience is that such platforms have increased opportunities for broadcasters to deliver their content to wider audiences. In turn, consumers have demonstrated their desire for increased choice by subscribing to such platforms.

In light of the above, Disney's expectation is that the introduction of a Pay DTT platform in the United Kingdom would offer Disney an opportunity for increased distribution of its content to consumers. This is the key reason why Disney has chosen to make a Disney branded channel available via a new Pay DTT platform operated by Sky.

I trust that the above is clear, but would be happy to answer any further questions that you might have.

Yours sincerely

Rob Gilby  
**Managing Director, Disney Channels United Kingdom, Scandinavia and Emerging Markets**