

# **Radio — Licensing Policy for VHF Band III, Sub-band 3**

**Channel 4's response to Ofcom's consultation**

November 16, 2005

Channel 4 welcomes the opportunity to put forward its views on Ofcom's proposed licensing policy for VHF Band III, sub-band 3:

- In light of the further evidence presented in this document, Ofcom proposes to allocate three blocks of spectrum in VHF Band III, sub-band 3 for local radio multiplexes under the licensing process set out in the Broadcasting Act 1996, with the aim of covering geographical areas that do not presently have local radio multiplexes. Ofcom also proposes to allocate one block of spectrum in the same sub-band for a national radio multiplex under the licensing process set out in the Broadcasting Act 1996.
- Do you agree that these proposals represent the optimal use of spectrum?

Channel 4 — in its capacity as both a public service broadcaster and majority owner of national digital speech station Oneword — supports Ofcom's proposal to allocate three blocks of DAB-compatible spectrum for local radio multiplexes, and a further one for a national radio multiplex. Apportioning the spectrum in this way will ensure DAB broadly matches analogue radio's local coverage while driving choice and innovation in national services.

Both of these developments will be necessary to drive DAB set penetration, ensuring the long term success of the platform. The growth in DAB adoption and usage should benefit all existing DAB services, including those on the existing national multiplex (Oneword among them).

We also support Ofcom's proposal to license each of the multiplexes using the process set out in the Broadcasting Act 1996. This will help ensure that the new multiplexes are operated to maximise radio's public value and market diversity to the benefit of audiences as both consumers and citizens.

Channel 4 looks forward to contributing to the process of making this spectrum available, starting with the proposed consultation on the licensing timetable and awarding process.

On this matter, we note that under the proposed timetable new services would be unlikely to launch much before 2008. DAB as a platform is in a highly competitive and rapidly changing market for digital audio. We strongly believe that a more aggressive timetable would significantly improve DAB's market position, and ask Ofcom to work to shorten the licensing process where possible in order to reduce the new DAB services' time to market.