



## UK Uplink Providers

### Background

**UK-UP** is a satellite Transportable Earth Station (TES) operators industry trade lobby which represents members interests primarily with the Radiocommunications Agency (RA) of the Department of Trade & Industry, particularly in the area of the operation of Transportable Earth Stations including transportable VSAT terminals

Membership of **UK-UP** is open to any company or entity that wishes to gain advantage from the combined influence of a lobby group that truly represents the interests and concerns of UK Earth Station Operators. Currently there are six companies who are members of this group, representing a broad cross section of TES providers in the UK.

### Comments on The Review of Radio Spectrum Management

In section 8 (Commercial Services), which deals with commercial satellite services, we have noted contradictory and erroneous statements. In 8.46 the following was stated:

*8.46 A variety of satellite services exist including: ...*

• *Fixed Satellite Systems (FSS) involve earth stations in given fixed points on the ground (including transportable terminals) and one or more space stations.*

We have underlined the part of this statement, which, although true, is at variance with the statement in 8.54:

*... In the past, satellite uplinking has been conducted solely through a relatively small number of permanent earth stations...*

This is erroneous as well as contradictory, as there are a considerable number of transmissions carried every day from transportable uplinks acting for broadcasters.

Further on, there is another statement in 8.50 which is plainly simplistic:

*... Access to spectrum for transmissions to and from satellites is subject to extensive international planning and co-ordination...*

This ignores the fact that access to spectrum to and from satellites is also controlled by the satellite operators on a financial basis i.e. access to spectrum with a particular satellite requires a commercial transaction of often very considerable size. The whole inference of 8.50 is that access is entirely within the gift of the UK Government and the ITU – this is erroneous.

Finally, the statement in Recommendation 8.5 gives great cause for concern:

*... Spectrum pricing should continue to apply to permanent earth stations but at full opportunity cost levels...*

The definition of what is exactly meant by 'opportunity cost levels' is hard to divine. Users of satellite spectrum already pay an opportunity cost, i.e. the cost of leasing the satellite transponder capacity, to the satellite operator.

We wish to repeat what we said in our response in the consultation phase - the fact that as access to satellite capacity is regulated by satellite operators, who literally charge by the minute for each MHz of occupied bandwidth, there is very little that can be achieved by any economic measures applied by the government to improve spectral efficiency.

Any 'opportunity costs' levied therefore constitute nothing more than a tax, and as such should be clearly presented as such. The imposition of opportunity cost fees will simply decrease the profit margins of the UK industry and force operators to consider moving their bases of operation overseas, with subsequent reduction in business for 'UK plc'.

We therefore continue to urge caution in assessing the issue of spectrum pricing in the area of satellite use, as it is our deeply held opinion that 'administrative pricing' or 'opportunity costing' does not work in achieving the stated aims in this particular area of spectrum.

*3 May 2002*