TELEVISION FILM SERVICES

Television and Film Services. Middle Ollerbrook House. Edale. Derbyshire. S33 7ZG. 01142495902

Introduction.

TFS offer equipment hire and systems design to the broadcast/film and corporate market. We hold approximately £1.2 million of assets most of which is invested in high end radio microphone and IEM systems. We supply all major facilities houses, broadcasters and support both Outside Broadcasts and studio based productions. We are an approved equipment supplier for the BBC, London Studios and Ch4. TFS provide kit for many of the country's largest sporting and entertainment productions either directly or via 3rd party facilities houses. These include The X Factor, Britians Got Talent, The Apprentice, F1 and The French Open.

We supply Sennheiser 3000 and 5000 series radio microphones and IEM along with Wisycom systems directly to customers as well as via other facilities houses when they either run short of kit or do not have the equipment needed. We are active in looking for larger jobs or as OFCOM has called them "7%". Indeed this is how TFS started.

We offer good stock levels of both Sennheiser and Wisycom as large jobs cannot use different systems due to frequency planning, sound, DSP delay and installation requirements etc. To support 2 or more manufacturers systems on one site would require multiple spares including different microphones, dry cell batteries, antenna, down cables, battery holders, chargers, mic mounts etc and this would be prohibitively expensive.

To introduce a 3rd or 4th manufacturer or system into the mix to cover any new band or move to a digital system would not be an option for the reasons given above.

Q1: Do you agree with our proposed criteria for who should be eligible for the grant scheme?

TFS would direct you to the advice given by BEIRG in regards eligibility and we recognise the comments by Terry Tew Sound & Light that for those rental companies who supply wholly, or partly, RF facilities for the 7% of 'affected' events, and who like us actively market themselves as being capable of supplying equipment for those events and hold assets accordingly, should be recognised as having different needs to smaller operators. It should not be the case that we are financially disadvantaged by the clearance. Our business plan is based on the best and most efficient equipment and its best use. We acknowledge all of the points from BEIRGs executive summary. Specifically issues raised by the proposed eligibility criteria. As a supplier to 3rd party users we are not always responsible for the purchase of licences. Though we can and do advise on the frequency

planning. Some customers will not tell us what show kit is being used on for fear of poaching. All of the kit associated with the RF transmitters and receivers should be included in the compensation. For example the microphone head used on a Sennheiser SKM3000. If the SKM3000 were compensated for by OFCOM the microphone head could not be used on an SKM9000 possible replacement handheld transmitter. These would need to be purchased specifically for the replacement unit. Include in this battery packs, chargers, personal mics, receiver racks, output modules, head amps, antenna, data modules, cables and specialist programming units. This applies to all our Sennheiser kit as well as our Wisycom kit. The Sennheiser 3000 series N range is 606-790Mhz though the 606-614Mhz range can not be considered as a part of the PSME calculation as this is covered by a different licencing arrangement and no large scale production would ever consider CH38 as an option. Therefore the Seni N range would fall into the more than 50% loss range. However TFS also stock Wisycom MRK960 receivers and matching transmitters. These operate on 470-840Mhz. The loss of 100mhz would represent a loss of 27% of range and would therefore exclude these units from compensation. That would be extremely unfair. TFS has invested in this kit which costs almost twice as much as the Sennheiser kit because of the wide RF switching bandwidth it offers, the flexibility it affords us and our customers. To be limited to the same narrow band as the cheaper kit with no compensation is obviously unfair and would cripple companies. It would be like buying a family saloon car and then being told that you cannot use the back seats! We are very concerned that this would force TFS into a totally unworkable business model and could lead to the closure of our company. Furthermore, as we continue to trade and supply our customers if they request radios that need to work in the 700Mhz band and we are out of stock, we must continue to buy this stock in to supply their needs. Also are you suggesting that if any kit in the 700Mhz band should be broken or lost that we should not repair it or replace it? Therefore the equipment purchased in this period should also be included in the compensation package.

Q2: Do you agree with our assessment of the impact clearance will have on equipment which operates exclusively below 694 MHz?

Using Analogue systems it would no longer be possible to have large numbers of IM free frequencies available. The reduction in available bandwidth will in real terms mean a shift towards digital radio microphones as a way of servicing higher count radio systems. If this kit had been available at the last clearance we at TFS would have looked at this route. However it was not, and so we invested heavily in new analogue systems. This new clearance severely limits the use of analogue systems and therefore companies who deal in this 7% area will be adversely penalised. Also if a company has only bought kit which operates in the higher range and they are compensated for all of their equipment. It would allow them to unfairly invest in newer and more effective kit which would give them an unfair advantage in the market place.

Q3: Do you agree with our analysis of the impact clearance will have on equipment which straddles the 700 MHz band and the spectrum below 694 MHz?

No. The 700 MHz guard band (694 to 703 MHz) is of only little value to most high end users as it is not a reliably clear spectrum. Even an on site scan would only be of value at the time it was taken. The loss of nearly 30% of the spectrum does not just affect kit designed to work in the 700mhz band. If we supply 24 channels of radios for a show like “The Apprentice” 16 channels may be in the range 614-693Mhz. The balance being in the 700Mz band. We could not say “sorry 700 no longer available. You will have to use 8 digital radios for the balance”. The technical issues this throws up are

prohibitive, with delays in signal processing, interference calculations, antenna arrays and much more. The whole of the job would need to be one uniform system. Therefore even the kit not working in the 700 band would still be impacted by the lack of its availability.

Q4: Do you have any evidence that an alternative boundary for the tuning range of equipment should be drawn?

=No

Q5: Do you agree with the proposed formula to estimate the level of funding?

I would point you towards BEIRGs comments that 47% of the value is not enough. There should be no financial loss by any company.

Q6: Do you agree with our approach to calculating asset life?

No. There is currently a revival of interest in older sound kit for its tonal quality. You need only look at Ebay to see that some older microphones are being sold for more than they cost new. Asset life is not relevant. Only its function.

Q7: Are you aware of any developments which would mean data from the 2013 equipment survey or the 2010 Channel 69 statement are likely to misrepresent average asset life?

No

Q8: Do you agree with the use of an average asset age for the estimation of funding entitlements? If not, do you have any suggestions for an alternative approach?

-See Q6 answer

Q9: Are we correct in our assumption that a large proportion of PMSE equipment owners will not have evidence of when they purchased their equipment?

Yes. However we keep a full asset register for at least 5 years.

Q10: Do the data in the 2013 equipment survey provide a reasonable basis for calculating average equipment age? If not, do you have an alternative approach for gathering relevant data for making this calculation?

We agree with BEIRG that surrendering kit should take place well before mid-2020. We believe that mid-2018 would be a good start.

Q11: Do you have any comments on our proposals for how the claims handling process should operate?

The system used at the last clearance worked well with the exception of the rolling penalty for later surrender. We were servicing jobs with Ch69 equipment up to the final date as some kit was abroad and received reduced amounts because our customer was unable to return the kit.