



## Draft Ofcom Annual Plan for 2011/12

**Intellect response**

**March 2011**

Intellect is the trade association for the UK technology industry. In 2007, the industries Intellect represents accounted for 8% of UK GDP, £92bn of Gross Added Value and employed 1.2m people.

Intellect provides a collective voice for its members and drives connections with government and business to create a commercial environment in which they can thrive. Intellect represents over 750 companies ranging from SMEs to multinationals. As the hub for this community, Intellect is able to draw upon a wealth of experience and expertise to ensure that its members are best placed to tackle challenges now and in the future.

Our members' products and services enable hundreds of millions of phone calls and emails every day, allow the 60 million people in the UK to watch television and listen to the radio, power London's world leading financial services industry, save thousands of lives through accurate blood matching and screening technology, have made possible the Oyster system, which Londoners use to make 28 million journeys every week, and are pushing Formula One drivers closer to their World Championship goal.

In the past 12 months 14,500 people have visited Intellect's offices to participate in over 550 meetings and 3,900 delegates have attended the external conferences and events we organise.

### **Summary**

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Intellect recognises that for the coming year Ofcom will have significantly less resources available to deliver its obligations and therefore understands that it will be necessary to prioritise available resources on the highest priority tasks. This draft annual plan for the coming year is therefore of particular interest to Intellect members. Whilst Intellect is broadly in agreement with the priorities and detail of the plan as drafted, we do wish to emphasize the particular importance of the proposed awards of spectrum at 600MHz, 800MHz and 2.6GHz to our members. The review of fixed links is also identified to be of interest and Intellect would be pleased to engage with Ofcom on that activity. Finally, Ofcom needs to progress the necessary regulations that will allow TV "White Spaces" spectrum to be better utilised while ensuring that existing licensed services are protected.

### ***Our comments on “Strategic Purpose 2: Promote the efficient use of public assets”***

Intellect welcomes the priority that Ofcom is giving to awarding unused or underused spectrum to the market at the earliest opportunity. We fully support the identification of releasing the 2.6GHz spectrum and 800 MHz (digital dividend) spectrum as a top priority for Ofcom. In addition, release of further digital dividend spectrum in the 600 MHz bands represents another significant priority. Ofcom should proactively engage in European fora on this and work towards releasing this spectrum at the earliest opportunity. Finally Ofcom has undertaken a number of consultations on innovative uses of TV “White Spaces” spectrum. It needs to progress the necessary regulations that will allow this spectrum resource to be better utilised while ensuring that existing licensed services are protected.

Intellect agrees that a holistic and long term view is crucial as signalled in paragraph 5.28. However Intellect feels that a wider discussion is now required to engage on a number of substantive issues e.g. the 500MHz of spectrum promised for release by the Government appears to be a simple copy of the FCC number, unsupported by any published analysis. The FCC's own analysis of this number is extremely simplistic (in our view massively over-simplistic for such an important number), relates only to capacity issues (not coverage, competition, or efficiency) and is obviously not adapted to the UK context. Likewise, any new spectrum releases need to fully acknowledge the importance of international harmonisation: the public sector bands which are most likely to be the source of new spectrum are in the main unsupported by such harmonisation. Nonetheless, Ofcom should actively encourage their release as soon as possible on a technology neutral basis to allow industry to decide how best to apply them.

Intellect welcomes the other spectrum policy goals as proposed in the draft plan.



### ***Our comments on ensuring compliance with European policy objectives.***

Intellect notes that Public Protection and Disaster Relief (PPDR) is a public responsibility at European level. In order to fulfil the EU provisions of the Single Market for PPDR Services, and to respond to the importance of the provision of broadband data for those services, as demonstrated in numerous studies and supported by a growing number of Member States, the EU Commission has included this important goal in its proposal for a Radio Spectrum Policy Programme (RSPP), which currently is in its first reading in the European Parliament.

Intellect consequently invites OFCOM to pay special attention in its planning process to the provisions of the RSPP<sup>1</sup>, and in particular its call for an EU-coordinated identification of spectrum below 1 GHz for harmonised PPDR Broad Band Services. Intellect also encourages OFCOM, through the UK representation in RSPG of the EU Commission, to actively offer its expertise in the field of spectrum and regulatory matters as is done today in ECC WG FM38.

Furthermore it is important that Ofcom continues to maintain sufficient engagement in International regulatory bodies to promote/protect UK interests – especially as we are heading towards WRC-12 and 2011 is a critical year for this - not just for 2012 but also because it sets the agenda for WRC-16 (which will consider additional IMT and other spectrum).

### **Other major work areas for 2011/12**

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#### ***Our comments on “Strategic Purpose 2: Promote the efficient use of public assets”***

Intellect notes the reference to a Review Ofcom's management of fixed-link services spectrum that was decided and highlighted in the Statement on the revised framework for Spectrum Pricing issued in December 2010. Intellect had contributed

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<sup>1</sup> DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a radio spectrum policy programme COM(2010)471



to the review of the framework for spectrum pricing and concurred with the need to review fixed links fees. Intellect would also wish to remain engaged with Ofcom on this broader activity relating to management of fixed link spectrum together with the review of fees.

### **In conclusion**

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Intellect is also concerned that Ofcom are already engaged in reductions to both staff and responsibilities without waiting for the consultation outcome.