



Mr Ed Richards  
Director General Ofcom  
The House of Commons  
Westminster, London  
SW1A 0AA

Purewell Electrical Co. Ltd.  
The Superstore  
81 Somerford Road  
Christchurch BH23 3PP

Tel: 01202 484411  
Fax: 01202 475435

sales@purewell.co.uk  
www.purewellelectrical.co.uk

8<sup>th</sup> February 2007

Dear Secretary of State,

It is with great concern that I write to you about the future of public service broadcasting in this country and the potentially devastating effect that an uncompetitive digital terrestrial platform would have on the UK consumer and the consumer market for open standard, compatible television products.

The UK's terrestrial platform has for 50 years been at the forefront of worldwide performance quality and its 625 line PAL system has been the envy of other major developed countries such as the USA and Japan. Today, terrestrial television is playing a major role in the re-equipping of the UK population in readiness for Digital Switchover. Yet again, its competitive performance quality and value for money has proven critical in encouraging the mass consumer market to adopt the governments' digital television switchover objectives.

The performance quality of terrestrial television broadcasting has been core to the specification and development of all television products sold in the UK since the introduction of Colour.

This has continued through to teletext, nicam stereo, and widescreen and through to today where widescreen panel HD ready IDTV's have become the standard specification for all television sets above 26". A year from now this will be all sets above 20". Why HD ready? because the consumer is now preparing, not just for digital switchover, but, for the next quality change in television performance, High Definition, which is widely expected to be the broadcast standard of the future, for all television software and broadcasting.

Despite the undisputed evidence of the consumer market moving completely to Integrated Digital HD ready products in readiness for the pending change in performance quality, Ofcom are suggesting that they have research that states the consumer is not expecting the Terrestrial Platform to offer an HD service.

Market facts suggest that this research is wrong. With HD performance developing in the Pay TV sector, in games, in pre-recorded DVD and hard drive player recorders and in the Camcorder market, it is our understanding that consumer expectations for a free to view HD performance from their digital terrestrial public service broadcasters will be very high. The consumer experience today is that PSB programme and performance quality on all platforms is comparable and competitive, we do not believe this will change? Do Ofcom really believe the licence fee payer will fund the development of new HD programming and then accept the only way to access this programming is through a subscription format such as Sky?

**This letter is to ask for your personal intervention in preventing Ofcom auctioning off the Spectrum that will make HD services possible on the Terrestrial Platform. This is a once only opportunity to keep the Digital Terrestrial Platform competitive for the benefit of the consumer, for the benefit of the open standard television industry and for the benefit of governments' switchover plans. It should not be lost or wasted.**

Ofcom are currently four weeks into a twelve week consultation with Industry before the final decision is taken to auction off the Spectrum made available from switchover. Their launch document suggests





Purewell Electrical Co. Ltd.  
The Superstore  
81 Somerford Road  
Christchurch BH23 3PP

Tel: 01202 484411  
Fax: 01202 475435

sales@purewell.co.uk  
www.purewellelectrical.co.uk

that any use of this Spectrum would be more in the consumer's interest than HD on the Terrestrial Platform. We believe this is misleading, every competitor for this spectrum has a fall back alternative available to them except HD on the DTT platform.

They suggest Mobile TV, local TV and wireless Broadband are all better candidates to use the Spectrum, but ignore the evidence of the last five years where the mobile operators have failed to encourage their consumers to use their phones for a host of 3G entertainment options. Despite having spent £25 billion on 3G Spectrum to provide these services, mobile phones continue to be purchased, primarily as phone call and texting devices with built in cameras, mp3 players and other under utilised features.

Digital Television, on the other hand, under an extensive government led switchover campaign, is being successfully sold to the consumer on the promise of the benefits of entertainment "quality and choice". **Currently DTT is competitive with all other platforms in delivering a digital quality performance.**

Evidence is available that Public Service Broadcasters, in developing the quality promise, are now producing a significant percentage of their new programming in widescreen HD format.

Evidence is available that shows that consumers buying new television sets are buying integrated digital terrestrial sets, in a widescreen, HD ready format. The manufacturers and retailers of these sets have no doubt that their purchasers will demand and expect upgrades that at some time in the future, will deliver HD services to them through their aerials.

**(Open standard terrestrial television products are designed to allow the consumer to plug in any additional television format or device, an open standard compatibility that no other TV format product offers.)**

To maintain a competitive terrestrial platform in the UK it is imperative that the public service broadcasters are able to competitively deliver an element of their programmes in HD. Without additional Spectrum, the public service broadcasters can not maintain current quality and choice offerings on the terrestrial platform, if they offer additional HD services.

Our fear is that without a competitive open standard terrestrial platform, the consumer will turn to competing platforms for their HD quality PSB services. This, for the first time in history, would make the terrestrial platform inferior, the development of new open standard television products would potentially stop and as a result the consumer, our Industry and the switchover programme would suffer.

Ofcom has used research to determine that HD on DTT is not in the public interest, research the experienced television industry challenges and refutes.

This would suggest that intervention in the next two months is critical if we are to maintain a competitive terrestrial television platform in this country. It does not appear that Ofcom has any intention of allowing this to happen.

Yours Sincerely

Malcolm Marshall  
General Manager