

# **LG Electronics Comments**

## *OFCOM Call for Input on Speaking TV Programme Guides*

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Slough, 5 September 2014

### **Context**

This document serves to comment on the “OFCOM call for input” concerning Electronic Programming Guides (EPG), and whether the implementation of further technical requirements in that regard would provide for improvements in this emerging and innovative area. LG Electronics recognizes the importance of e-Accessibility and actively participates in relevant industry associations in order to further develop and implement accessible solutions based on industry consensus.

It is regrettable that a significant market constituency was not included in the initial roundtable discussion on this issue, namely the TV manufacturers. LG Electronics wishes to reiterate the current industry concern in regard of accessibility regulation: development should be aimed at achieving the highest possible level of accessibility, while minimizing the financial impact on consumers and the industry as a whole. As such, LG Electronics urges OFCOM to take into consideration the following.

### **Diverse Business Models**

LG Electronics is a global organisation that builds products for a global horizontal market, with a very different business model to those consulted in the initial roundtable meetings. The revenues of the latter are predominantly provided by recurring subscriptions, on-screen advertising and national license fees. LG Electronics’ business model is predominantly governed by the cost of producing the hardware product and its horizontal market retail price. As such, the inherent assumption within the consultation paper that all manufacturers are equal and share a similar view is false. Therefore, what might be acceptable to one “Speaking EPG” manufacturer would not be acceptable to another.

### **Cost Assumptions**

There are several statements and assumptions within the consultation stating that the cost of providing a speaking EPG is low and negligible. This may be valid in some manufacturing circumstances but not in others. TV manufacturers typically produce a wide variety of devices, from low-cost minimally featured devices to premium devices with a wealth of features. As such,

the relative cost of any given feature will vary for each and every device. The consultation document points to several existing implementations as exemplars that the rest of the industry should follow, however, LG Electronics would request that greater transparency is provided as to how these implementations have been funded in order to gain a more accurate picture of what the likely cost requirements might be. LG Electronics believes that the statement “*the software is built into the mainstream product and there is no additional cost*” is particularly misleading. Statement 3.64 may provide a better insight into the cost issues associated with such devices.

The cost of any feature will furthermore not just be simply related to the additional associated technical features required (CPU, memory, etc). Licensing and other commercial fees also have a very significant impact and it is extremely uneconomic for manufacturers to provide and pay for features that do not have a large consumer uptake. The notion of requiring or mandating a speaking EPG by default implies the mandate of an EPG in the first instance, and EPGs in general are an area riddled with patents, IPR, licensing fees and a wide variety of preferred / innovative approaches. Any requirements relating to EPGs would have to be extremely carefully formulated, such that implementers are not obliged down a specific and over-prescriptive costly route and such that further innovation can continue.

### **Proxy Regulation**

One of the biggest concerns LG Electronics has with this consultation is the concept of using EPG providers as a proxy regulator for TV manufacturers. In the event of any possible future for such regulation, the vast majority of the costs of implementation would most likely to be passed on to the equipment manufacturer – given that in general the broadcast metadata and signalling is unlikely to significantly change; referring to the statement at 3.56 “*They preferred the EPG to be accessible through the TV*”. LG Electronics recognizes that for some of the EPG providers (generally the PayTV community), this cost pass-on will be to themselves; however, for the horizontal market EPGs this will be to external (global) TV manufacturers. It is therefore not completely appropriate that EPG providers should be considered to be the only proper provider of economic cost data.

### **Ongoing Innovation in Mobile Apps**

The development of mobile applications for TV is still very much in its infancy and a great deal of innovation and improvement is happening in this area. In general it is almost certainly too early to determine whether or not such approaches will provide long term solutions to this issue. As such, implementing normative regulation at this stage is premature and would stifle innovation in this emerging product group.

## Global Context

As a global manufacturer LG Electronics has to take a global perspective. It is increasingly no longer economically viable to provide “*custom builds*” for individual European territories, a fact that is now widely accepted across the industry.<sup>1</sup> As such it is imperative that any new solutions, technologies and requirements should apply equally across the whole of Europe and not just to the United Kingdom (UK). LG Electronics, through its membership in DIGITALEUROPE, is currently participating and contributing to e-Accessibility work programmes based around upcoming European legislation. LG Electronics would therefore strongly advise that any proposals developed within the UK are aligned with and integrated within those projects.

## Other Issues

Paragraph 3.62, discussing potential advantages, provides the following:

Speaking EPGs integrated into televisions and set top boxes may be less susceptible to unplanned software changes that may conflict with the speaking EPG, particularly where the EPG provider controls software changes.

This “advantage” is confusing, mixing vertical PayTV markets with horizontal markets. It is unclear to LG Electronics what is meant by “unplanned software change”. As far as LG Electronics is concerned, all software changes are rigorously planned, and in horizontal markets software updates are managed and provided by the TV manufacturers, not the EPG providers.

Paragraph 3.63 then continues:

Within the last two years, TV manufacturers have begun to make integrated speaking EPGs on their mid-range TVs, as well as those at the higher end, and one now makes integrated speaking EPGs in all new TVs.

It is unclear to LG Electronics why this is considered an advantage of Speaking EPGs, rather than a statement of fact. As mentioned above, the funding model to achieve this end needs to be taken into account.

Paragraph 3.64, discussing potential disadvantages, provides as follows:

TV receivers with integrated TTS-enabled EPGs remain relatively expensive.<sup>28</sup> Although some TVOnics and Goodmans-branded set top boxes equipped with speaking EPGs remain, Ofcom understands that they are no longer being manufactured.

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<sup>1</sup> In that regard, see “*Statement of Direction Towards HbbTV 2.0*” from Confindustria Radio TV <<http://www.confindustriaradiotv.it/wp-content/uploads/2014/07/Statementf-of-direction-towards-HbbTV-2.0-31-July-2014.pdf>>

Footnote 28 then provides:

This may change over time if more manufacturers make use of the same chipsets, securing economies of scale (as happened when manufacturers of TV receivers and set top boxes adopted chipsets that enabled audio description, now standard in most TV equipment).

Several manufacturers, including LG Electronics, increasingly develop and use their own internally developed chipsets rather than commodity chipsets for a number of unrelated economic and commercial reasons. It would be a retrograde step to require manufacturers to use a limited range of chipsets.

Finally, the consultation fails to indicate the language support that might be required, whether this would simply be English, or whether other regional languages such as e.g. Welsh would be included in this requirement. It furthermore fails to take into account the potential impact on costs of such requirement.

## Responses to Individual Questions

Q1. Do respondents agree with Ofcom's initial assessment that apps for mobile devices have the potential to be useful for those people with visual impairments who feel confident using touch-screen technology and can afford a suitable mobile device? If not, why not?

LG Electronics recognizes the importance of including accessibility features in order to aid those with impairments and disabilities. Many of our devices are equipped with a variety of accessibility features, and we strive to continue increasing such features through development and improvement.

Q2. Do respondents agree with Ofcom's initial assessment that apps for mobile devices are less likely to meet the needs of the majority of visually-impaired people who are 65 or older, both because they are less likely either to own a suitable mobile phone and because touch-screen apps present a number of actual and perceived barriers to use. If not, why not?

LG Electronics is certain that with the current ongoing innovation, such actual and perceived barriers to use are to decrease over the coming years.

Q3. Do respondents consider that it would be reasonable for visually-impaired viewers to pay more than sighted viewers for the ability to use EPGs or substitutes for the same purposes as sighted viewers? If so, why?

Costs involved with developing and equipping devices with accessibility features are not

insignificant. Possibilities for covering such costs vary from addressing the individual user, the consumer population (national or international) and/or a combination of the technology/device provider. The final sentence of paragraph 2.40 has already highlighted the commercial issues involved and, as mentioned above, implementing any solution at the national level, without European or international coordination, would most likely result in regulatory divergences and technical barriers to trade.

Q4. Do respondents agree with Ofcom's initial assessment that the speaking EPGs integrated into TVs and set top boxes may be easier for people with visual impairments to use than touch-screen apps? If not, why not?

LG Electronics considers that although this statement may be true for some, it may not be the same for others, and as such depends on individual ability and preference.

Q5. Do pay TV service providers such as Sky, Virgin, Talk Talk and BT TV see additional obstacles that would prevent them from committing to including text to speech capabilities in the next planned upgrades to the receivers they offer to subscribers? If so, what are these obstacles? Absent regulation, would these obstacles make it impossible on commercial grounds to commit to the necessary investment?

LG Electronics finds that an equivalent inquiry should be made to the Digital TV manufacturing market, as its business models, obstacles and commercial grounds are very different to those of PayTV providers. LG Electronics' answer has been stated in the paragraphs provided above. Furthermore, the availability of an open and competitive market for good quality (FRAND) speech engines needs to be established.

Q6. If the cost of providing speech-enabled receivers to all those who subscribe to particular pay TV services would entail a substantial delay to the roll-out of such receivers to all subscribers, would it be feasible, quicker and more cost-effective to offer suitable equipment first to viewers with visual impairments?

LG Electronics considers this question to concern pay TV service providers. However, with regard to *suitable equipment* and the involved parties therein, further clarification would be required.

Q7. Do respondents consider that it would be reasonable to expect visually-impaired viewers to pay extra for equipment that allows them to use EPGs or substitutes for the same purposes as sighted viewers? If so, why?

Please refer to the answer of Question 3.

Q8. Do licensors such as Freesat and Freeview see obstacles to using their leverage to require manufacturers to incorporate speaking EPGs in future versions of their branded products, such as Freetime and Freeview Connect?

Please refer to the comments in the paragraphs above. LG Electronics does not consider it to be appropriate for trademark licensors to be required to act as proxy regulators.

Q9. What are the main types of cost that pay TV service providers would face in incorporating speaking EPG features into the next generation of their set top boxes?

Please refer to the answer of Question 5, with regard to applicability outside PayTV, as well as the comments above concerning licensing / IPR costs.

Q10. What is the scope for connected platforms to avoid the need for specific TTS provision within consumer equipment by using cloud-based resources (e.g. speech files on a central server delivered to the device as required)?

Cloud based approaches are very much in their infancy. Therefore, LG Electronics stresses that it is currently too early to properly evaluate how successful such approaches might be.

## Conclusion

Taking the above into account, it is clear that based on the current research and economic data it is not possible to consider any costs for implementation of speaking EPG as non-existent or negligible. Greater transparency in regard to how such accessibility feature implementations have been funded is required in order to make an accurate assessment of the possible financial impact on consumers and the industry.

Finally, LG Electronics reminds OFCOM of the current developments of the standard *IEC 62944 - Digital Television Accessibility – Functional Specifications*, which include best practice guidelines on, amongst others, Audio Feedback, Text-to-Speech and Content Accessibility. In order to prevent unnecessary regulatory divergences local initiatives should be based on, aligned with and not go beyond the scope of these ongoing European standard developments.

LG Electronics would welcome the chance to continue to discuss the possibilities regarding speaking EPG. Such developments are also continuously monitored through our participation in DIGITALEUROPE. As such, LG Electronics respectfully requests OFCOM to consider our submission, and hopes to participate in further discussions.

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