

## Response to Ofcom Consultation: Digital Dividend Review – Geographic Interleaved Awards

### Section 1: Executive summary

#### ***Question 1. The executive summary sets out our proposals for the digital dividend geographic interleaved award. Do you agree with these proposals?***

We believe the auction process described by Ofcom for the geographic interleaved spectrum award is very well thought through – we are very grateful to Ofcom for listening to the needs of stakeholders and adapting the proposals accordingly. Specifically, the differentiation between National and City-wide lots, and the different processes recommended, shows a detailed understanding of the needs of alternative sets of stakeholders - an early award for spectrum used by existing RSL operators is important to give clarity on our respective futures at the earliest possible date.

Our one over-riding concern with the proposed approach is that it appears to take no account of the interrelationship between the ongoing PSB review and the DDR interleaved awards. The two processes remain fundamentally interlinked. As we stated in our PSB submission:

*“Ofcom’s ability to use Local TV as a partial remedy to address market failure in Regional / Local News and Non News, as suggested in our PSB response, will be absolutely unavailable if Local TV is forced to bid against other competing technologies leveraging different business models during the DDR process. We believe that Local TV as a remedy could be over before it has begun if Channel M, the UK’s most established Local TV broadcaster, fails to secure low opportunity cost, local interleaved spectrum during this year’s DDR process”*

Our submission makes four recommendations for slight alterations to the auction design that would deliver superior value to society and ensure this unique opportunity to support local TV is not wasted.

#### **1: Include usage requirements in the auction design, thereby ensuring that societal benefit is derived from the spectrum**

We believe that the present auction design will result, albeit inadvertently, in maximised income for the Exchequer not maximised value to society.

We believe Ofcom’s view of spectrum as a pure economic commodity has driven an auction design intended to facilitate the creation of a fluid secondary spectrum market:

1. Information is required to be published to ‘facilitate secondary trading’
2. Use-it-or-lose-it provisions and roll out requirements are not possible, since this could hinder subsequent resale

We believe that the development of a fluid secondary market is unrealistic, since investors will hold spectrum for a long period of time to recover invested costs - trades will be occasional and probably bilateral. As such, we see no requirement for information provision (information exchange can form part of any sale and diligence process).

By the same token, we believe imposing important use-it-or-lose-it provisions and roll-out requirements *will not* hamper the development of a fluid secondary market, since one is unlikely to exist. On the contrary, the absence of such provisions *will* have a very real detrimental impact on the auction process today, allowing spectrum hoarding by businesses and financial investors. This will lead to spectrum not being used and the societal benefits derived from the asset being foregone. Many of our letters of support for Channel M (listed in Appendix 1 and included under separate cover) mirror this point of view, including two letters from our local MPs:

*“Competition [for spectrum] is of course part and parcel of running a business. Nevertheless, I would not be able to countenance a situation whereby a company could successfully bid for the spectrum, only for it to be left unused[...], whilst all the time other smaller companies could be putting a place on Freeview to good use” – John Leech, MP for Manchester Withington, 11 August 2008*

*“There ought to be a presumption that this type of offer [from Channel M] has a priority position when places on the spectrum are awarded, rather than those with a purely financial base” – Ivan Lewis, MP for Bury South, 6 August 2008*

We believe the benefits foregone if Channel M fails to secure spectrum are both real and proven:

1. Citizens and consumers are watching today- Channel M has a weekly reach of 288,000 viewers, representing over 20% of the population of Greater Manchester with access to Channel M<sup>1</sup>
2. Local stakeholders see the benefits - we have received over 200 letters from local businesses and institutions supporting Channel M and requesting that Channel M should continue to broadcast for free on terrestrial television. Included are letters from 16 MPs and MEPs including Hazel Blears, Secretary of State for Communities and Local Government, 7 City and Metropolitan Councils, 12 governmental agencies including the Army, Police, Fire and NHS, 14 educational institutions including 5 universities, 18 charities and not for profit organisations, over 100 businesses and over 20 sports associations. Comments include:

*"I will confess to some early scepticism [...]. However, I have completely reversed my view. The range of Channel M's coverage, particularly in terms of the public service broadcast content, both reflects and contributes to the quality of life in our conurbation.[...] I know that Channel M is greatly valued here in my constituency, despite the limitations in the range and quality of the analogue signal upon which many homes, particularly amongst the older and less well off members of the community, still depend. After the switch off, they will, rightly, expect to find Channel M when they tune in to Freeview"* – **David Heyes, MP for Ashton under Lyme, 1 August 2008**

*"Channel M is a very important service for local community groups and charities in the region. Because it's a local station, it is able to educate and inform viewers about the charity work and campaigns happening in the area, TV can reach many people that charities and community groups want to reach, and sometimes aren't able to through other media. An example of this was the shooting of Jessie James a 15 year old school boy gunned down on the streets of Moss Side two years ago. [...] Channel M played an invaluable role in not only informing the community, but also by providing a platform that communicated the wider media interest and coverage and more importantly helped reduce the potential for ongoing tensions in the community."* - **Dr Geoff Thompson MBE, Executive Chairman, Youth Charter, 9 August 2008**

#### 2: Use DPSA everywhere or allow individual regions to use DPSA as required

We believe that Ofcom's analysis shows convincingly that DPSA is the best option for lot design. Ofcom's recommendation of the Median option appears illogical. Although the impact of this (in terms of coverage and hence associated benefits derived by society) is small in most areas, it can decimate coverage in other areas such as Channel 57 in Manchester, effectively killing off any commercial Local TV model. As it stands, unless a different coverage option is selected or Median coverage is significantly improved, Channel M will become economically unviable, resulting in its probable closure.

#### 3: Use a blind auction

Although not explicitly mentioned in Ofcom's consultation document, we believe that the auction process should be blind – the identities of the bidders during the bidding process should be anonymous, thereby preventing commercially valuable information on bidder economics being used by competitors.

#### 4: Ensure that the implications of spectrum ownership by advertising agencies, Arqiva/NGW, BSkyB and ITV are fully thought through

We remain concerned of the impact that ownership of spectrum by a series of commercial entities would have on upstream broadcast markets. Unless Ofcom can be absolutely confident that ownership will not distort the market, we would encourage Ofcom to question ownership by the following groups:

- Arqiva/NGW, as monopoly owners with pricing power in many existing spectrum markets
- BSkyB, as partial owners of the existing multiplexes
- Advertising agencies, as they would the control the end to end local advertising value chain
- ITV, as strong players in the existing regional television market, in whose interest it would be to prevent growth of any commercial local television market

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<sup>1</sup> Source IPSOS February 2008

#### **Section 4: Uses of the geographic interleaved spectrum**

##### **Question 2. Do you have any comments on our assessment of the most likely uses of the geographic interleaved lots? Are there any potential uses which should be considered that we have not mentioned?**

We agree with Ofcom's findings that there are a series of uses for the geographic interleaved spectrum, each with different revenue models and delivering differing levels of value to society. We also suspect that there may be alternative uses of the spectrum that have not yet been identified by Ofcom which may result in speculative bids based on potential future value.

We note Ofcom's finding that both mobile broadband and mobile TV are potential uses for the spectrum. We also believe that a UK-wide shopping channel could purchase spectrum across major conurbations. Were a bidder to launch such a service in Manchester, the amount available to bid for the spectrum would vastly outweigh the amount that a local TV operator could bid, since most of the value delivered by local television is in the form of benefits to society and as such is not secured by the operator.

We note comments in our response to Ofcom's Second Review of Public Sector Broadcasting that, without ring-fencing or gifting spectrum, Local TV as a remedy to market failure in the provision of broadcast regional content could be over before it has started, resulting in the loss of over 100 jobs and the training and development benefits that Channel M provides.

*"Ofcom's ability to use Local TV as a partial remedy to address market failure in Regional / Local News and Non News, as suggested in the document, will be absolutely unavailable if Local TV is forced to bid against other competing technologies leveraging different business models. We believe that Local TV as a remedy could be over before it has begun if Channel M, the UK's most established Local TV broadcaster, fails to secure low opportunity cost, local interleaved spectrum during the DDR process.*

*In the same way Ofcom has ring-fenced PMSE from the process, ring-fencing limited amounts of spectrum for Local TV can support the commercial development of Local TV and support Ofcom's Regional / Local content objectives."*

We also note our comments in question 25 around hoarding of spectrum. Ofcom has proposed an auction process that does not actually need the bidder to have a use for the spectrum. Bidders can obtain and hoard spectrum for rational or irrational reasons, thereby preventing society from benefiting from the spectrum. As such, the uses of spectrum that Ofcom identifies are a moot point – the auction will deliver maximum revenues to the Exchequer, not maximum benefits to society.

##### **Question 3. Are there any other types of DTT transmission that should be protected from potential cognitive devices or other factors that we should take into account?**

We will leave this to Ofcom's technical consultants and experts

##### **Question 4. Are there any potential future PMSE applications, other than currently available wireless microphones, in-ear monitors and talkback systems, that you consider should be protected from potential cognitive devices?**

We will leave this to Ofcom's technical consultants and experts

##### **Question 5. Is there sufficient evidence to require protection for other services such as mobile television, bearing in mind the potentially negative implications of such protection for deployment of cognitive devices?**

We will leave this to Ofcom's technical consultants and experts

#### **Section 5: Coverage and impact of new DTT services**

##### **Question 6. What levels of coverage and aggregation are of interest to you?**

As we have mentioned in our PSB response, we believe that, while we would be delighted with the award of national spectrum for local TV, or the designation of must carry status (on any new or existing multiplex) as requested by ULTV, we understand that Ofcom are not supporting this.

As such, we are focused, de minimis, on securing the commercial viability of Channel M. While we believe that this model could be replicated in a series of other UK cities, we do not believe this requires aggregation of lots – each bid can be made independently. As such, we are interested in obtaining city wide lots of spectrum in a disaggregated manner.

**Question 7. Do you agree that the median option offers an acceptable balance between protecting reception of DTT services and maximising new DTT services using geographic interleaved lots?**

We believe that the DPSA option is the most logical; Ofcom's analysis suggests that it achieves the highest net societal benefit, since the maximum number of citizens would have access to new services. Previous projections from Ofcom have also used the DSPA model that we have incorporated into our business plans. Help could be arranged to re-orientate antennae and the 10 lot example presented by Ofcom only costs £1.5m, far outweighed by the incremental benefits delivered.

We believe that the other options presented are not as attractive:

- We agree with Ofcom's finding that the All Overlaps option is a waste of spectrum
- We believe that the JPP proposal, although requiring the least effort by consumers, is too restrictive, leading to the absence of new services delivered over the interleaved spectrum
- We understand Ofcom is minded to propose the Median option, and since the coverage lost on average is low vs DPSA, we could accept this as a second best alternative **in theory**

Critically in certain geographic areas, the Median option results in a dramatic reduction in coverage. In Manchester for example, Ofcom's Median option for channel 57 covers a substantially smaller area. Unless a different coverage option is selected or Median coverage is significantly improved, Channel M will become economically unviable, resulting in its probable closure.

As such, while the Median option may be acceptable as a second-best starting point, individual areas need to be considered in isolation and, in certain cases, DPSA may be the only option that leads to the interleaved spectrum being bid for and used to deliver benefits to society.

**Section 6: Spectrum packaging**

**Question 8. Do you agree with the proposal for a series of awards of spectrum lots - an award of lots for Caldbeck, Winter Hill and Wenvoe in late 2008 or early 2009, a single award in 2009 of large lots and awards of lots for other locations linked to DSO?**

Yes – we thank Ofcom for creating an award phasing tailored to the needs of existing RSL operators.

We agree that phasing the final awards for lots around the DSO timeframe makes sense. Holding these awards too far from the actual date when the spectrum is available will introduce undue risk for bidders, since the advertising and overall macroeconomic climate could change substantially between securing the spectrum and launching any business at switchover.

We would recommend holding the auctions nine months prior to switchover in each region. This will give sufficient time for a credible bidder to roll out its infrastructure but not too much time, as above.

This will be similar to Manchester, where there will also be c. nine months between award and switchover.

**Question 9. Do you agree with the proposal to hold the combined award for large lots of geographic interleaved spectrum shortly after the cleared award in 2009? What should the time interval be?**

We agree that this spectrum, given its greater value and interdependencies, should be auctioned in a more complex process. The award, following shortly on from the cleared award appears logical, since the cleared lot has more value to society and associated revenues.

It should certainly be made after the Manchester award, given the practical time taken to set up such a complex process.

**Question 10. Do you agree with our approach to expressions of interest in order to finalise the spectrum lots appropriate to allocate by auction?**

We agree that holding auctions for lots of spectrum that are not demanded is a waste of Ofcom's time and taxpayer's money.

We believe that, as part of the qualification process, rules around the plans the bidder has for future use should be included to ensure winning bidders put the spectrum to use, thereby ensuring society derives the benefits of this national asset. We will return to this point in question 25.

## **Section 7: Auction design and rules**

### **Question 11. Do you agree that we should run single unit ascending bid auctions for the award of each of the spectrum lots for Caldbeck, Winter Hill and Wenvoe?**

We believe that for these three awards, this is by far the most logical process, focusing on simplicity and, critically, speed:

- A single unit auction is logical since there is minimal interdependency between these auctions in very diverse regions of the UK
- Simultaneous auctions are also optimal, since they help prevent collusion between bidders
- Ascending bid auctions with winner paying second best price help prevent winner's curse

We accept Ofcom's desire to publish the names of bidders at the start of the process, but request that bidders become anonymous during the bid process, preventing businesses learning about competitors' economics.

### **Question 12. Do you have comments on whether the initial auctions of spectrum lots for Caldbeck, Winter Hill and Wenvoe should be run in sequence or in parallel?**

In Parallel - see question 11

### **Question 13. If the initial auctions are run in sequence do you have a preference for the order in which they run?**

n/a

### **Question 14. Do you consider that a combinatorial clock auction would be more suitable than a simultaneous multiple round auction for the combined award of large lots suitable for aggregation?**

We will leave this to Ofcom's experience based on previous auctions

### **Question 15. Do you agree with the proposal that the phased award of medium/small spectrum lots at locations linked to the DSO timetable should be by single unit ascending bid auctions? If not, which would be your preferred auction format and timing?**

As per question 11, for these one off auctions we agree with simultaneous single unit ascending bid auctions. As per question 8, we recommend holding the auctions nine months prior to switchover.

### **Question 16. Do you agree with the proposals for the main rules that we are minded to adopt for each of the three single unit ascending bid auctions?**

See earlier

## **Section 8: Technical licence conditions**

### **Question 17. Do you have any comments on the technical licence conditions we are proposing to include in the licences?**

The technical conditions appear logical. We have four specific comments:

1. Flexibility of modulation scheme. We have not seen Ofcom's recommendation on the modulation scheme required. However, we would request flexibility in our choice as all options are still being considered within our business. While discussions have centred around using QPSK there is no documented evidence of the number of compatible receivers in the marketplace. There are also no existing broadcasters using QPSK in the UK. It is unlikely we would opt for 64QAM either due to the lack of robustness.
2. Choice of transmission site. Where possible, we would seek to use our existing transmission site – will the licence stipulate a specific site?
3. Use of an in-band frequency. This has already been discussed in the document, but the use of a frequency that is 'in band' with the other transmissions in the area is a must.
4. The ability to provide multiple services on the multiplex. Given the bandwidth available, we would like to be able to provide services in addition to Channel M, potentially including additional TV, radio and/or interactive services

**Question 18. Do you agree that the licences for the geographic interleaved spectrum should not allow the co-ordination threshold to be exceeded?**

We will leave this to Ofcom's technical consultants and experts to decide.

We believe that it is in the interests of both consumers and bidders in the awards for the coverage of the lots to be as large as possible; this will allow as many citizens as possible to have access to the services and allow the operators to monetise this audience. However, we understand the technical constraints that we operate within and, if ensuring the co-ordination threshold is not exceeded makes the award and roll-out process quicker and simpler, we understand this has benefits.

If Ofcom is minded to ensure the co-ordination threshold is not exceeded, it is crucial that the household projections produced in the auction data have a realistic number of households included, adjusted for any diminution in audience required by this threshold. The same holds for question 7.

**Section 9: Non-technical licence conditions**

**Question 19. Do you agree that where the geographic interleaved spectrum is used for the operation of a DTT multiplex, we should replicate the ownership restrictions from the Broadcasting Act regime relating to (a) local authorities, (b) political bodies, (c) religious bodies and (d) bodies exerting undue influence but not replicate restrictions relating to (e) broadcasting bodies and (f) advertising agencies?**

We believe that it remains important to restrict ownership to appropriate, fit and proper organisations. However, we are nervous about the ability of advertising agencies to hold WT licences since this would give agencies a monopoly of the entire value chain in a local area, from creative, to buying cross media, and placing adverts on owned spectrum. This would restrict choice to advertisers and could result in monopolistic pricing within local television.

**Question 20. Do you agree that we should facilitate interoperability between existing DTT multiplex operators and new operators using cleared spectrum?**

Yes we do

**Question 21. We welcome views on the merits of the proposed approach to information provision; in particular concerning the type of information that may be helpful and any impacts that publication of information might have both on licence holders and the wider spectrum market.**

We cannot see a scenario where a liquid trading market develops since owners will hold spectrum for the medium term to secure returns on their capital outlay. In the absence of a liquid market, spectrum trading will be an infrequent bilateral commercial transaction between two parties. As such, the parties themselves can determine the data available through the purchase and diligence process.

As such, we see no requirement for information over and above that required for regulatory purposes.

**Section 10: Promoting competition and efficiency**

**Question 22. Do you agree with our approach to assessing whether the awards of geographic interleaved spectrum fully promote competition and efficiency?**

Yes

**Question 23. Do you have particular concerns about possibilities for award outcomes to fail to fully promote competition in downstream markets or to result in inefficient use of spectrum? If so, please explain what these are and provide supporting evidence.**

Of all potential issues identified by Ofcom, we are most concerned that allowing a MUXCo to obtain spectrum could create yet another monopoly in the access to and distribution of broadcast content.

GMG is fortunate to own media assets across a broad range of media sub-sectors. Our radio business, GMG Radio is the third largest radio group in the UK. In common with our response to the Competition Commission's consultation on the Arqiva/NGW merger, we remain concerned about monopoly ownership of spectrum and the resulting power over downstream markets (in this instance, broadcast.)

If Arqiva/NGW obtained spectrum, we would expect to see returns capped at a regulated Rate of Return on Invested Capital and for this return to fall, potentially using a standard RPI-X formula.

Similarly, we would be concerned with BSkyB obtaining further spectrum, above its existing partial ownership of commercial muxes, but assume that Ofcom will cover any BSkyB angles through its ongoing consultations on BSkyB and we would not seek to comment further.

Finally, ITV enjoys a very strong position within regional television advertising today and it would be in their interests to restrict the growth of local television. We are concerned that ITV could bid for spectrum to prevent its use by newly emerging local television businesses.

We recommend Ofcom considers each case in detail and, unless Ofcom can be absolutely confident that ownership will not distort the market, we encourage Ofcom to challenge ownership strongly.

***Question 24. Do you agree with our proposals to include an information provision licence condition to help facilitate efficient secondary trading?***

No – see response to question 21

***Question 25. Do you agree with our view that we should not apply any general remedies other than for information provision in the geographic interleaved award?***

We do not believe the present auction design will ensure that society derives the maximum benefit from the spectrum. It will merely ensure the highest bid and revenue to the Exchequer, something Ofcom explicitly notes it is not required to do. We believe that the absence of either a “use-it-or-lose-it” condition or any roll out requirements could drive spectrum hoarding by businesses making uneconomic decisions. In short, we believe:

1. The demand for local TV is real and is demonstrated by Channel M
2. A secondary spectrum market is not a justifiable reason to prevent society enjoying the benefit
3. The absence of ‘softer’ provisions may lead to spectrum not being used

***1: The demand for local TV is real and is demonstrated by Channel M***

We believe that Channel M represents a good example of what local television can become and the benefits that it affords local communities. Channel M has a weekly reach of 288,000 viewers, representing over 20% of the population of Greater Manchester with access to Channel M<sup>2</sup>.

- Nearly 200 thousand individual viewers watch our news programmes every week<sup>3</sup>
- Our music, sport and entertainment genres each attract 100,000-150,000 weekly viewers<sup>3</sup>
- Over two thirds of viewers agree Channel M is an important source of news and information about the community in which they live<sup>3</sup>
- 68% of our terrestrial viewers see no need for new channels above those they receive free<sup>3</sup>

Aside from proven, demonstrable consumer appetite for the content, there is a real belief in and need for the content from all areas of society. We have received over 200 letters of support (listed in Appendix 1 and included under separate cover) from local businesses and institutions outlining the importance of Channel M to Manchester, and requesting that Channel M should continue to be allowed to broadcast for free on terrestrial television. The signatories of these letters include:

- 16 MPs and MEPs associated with Greater Manchester, including Hazel Blears, Secretary of State for Communities and Local Government
- 7 City and Metropolitan Councils, including Manchester City Council
- 12 governmental agencies such as the Army, Police, Fire and NHS
- 8 universities and colleges, including the University of Manchester
- 6 schools and Surestarts
- 18 charities and not for profit organisations, including the National Trust, Alzheimer’s Society, Lesbian and Gay Foundation
- Over 100 businesses, including United Utilities, Stagecoach, SJM Concerts (one of the UK’s largest promoters), Peel Holdings (owners of the Trafford Centre) and Colombia Records
- United City, a group of local businesses covering over 100 individual businesses in Manchester
- Over 20 sports organisations, including the Rugby Football League and 3 Premiership teams, Association Football clubs including Oldham and Rochdale, and Lancashire Cricket Club

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<sup>2</sup> Source IPSOS February 2008

<sup>3</sup> Source IPSOS May 2008

Some extracts from these letters highlight the support our community has for Channel M:

*"I will confess to some early scepticism about the need for, or the likely viability of, a news, sports and entertainment TV station dedicated to Greater Manchester. However, in the light of experience and the progress made by Channel M in recent years, I have completely reversed my view. The range of Channel M's coverage, particularly in terms of the public service broadcast content, both reflects and contributes to the quality of life in our conurbation.[...] I know that Channel M is greatly valued here in my constituency, despite the limitations in the range and quality of the analogue signal upon which many homes, particularly amongst the older and less well off members of the community, still depend"* – **David Heyes, MP for Ashton under Lyme, 1 August 2008**

*"Channel M is a very important service for local community groups and charities in the region. Because it's a local station, it is able to educate and inform viewers about the charity work and campaigns happening in the area, TV can reach many people that charities and community groups want to reach, and sometimes aren't able to through other media. An example of this was the shooting of Jessie James a 15 year old school boy gunned down on the streets of Moss Side two years ago. [...] Channel M played an invaluable role in not only informing the community, but also by providing a platform that communicated the wider media interest and coverage and more importantly helped reduce the potential for ongoing tensions in the community."* – **Dr Geoff Thompson MBE, Executive Chairman, Youth Charter, 9 August 2008**

2: A secondary spectrum market is not a justifiable reason to prevent society accessing these benefits

We understand Ofcom's desire for a free market solution as a means to maximise benefit to society and to facilitate a future market for spectrum trading as future technologies evolve. We understand that placing constraints may make future trading more challenging.

However, we believe that the development of a fluid secondary market is unrealistic, since investors will hold spectrum for a long period of time to recover invested costs - trades will be occasional and probably bilateral. As such, we see no requirement for information provision (information exchange can form part of any sale and diligence process.) Additionally, we believe imposing important use-it-or-lose-it provisions and roll out requirements will not hamper the development of the market, since we find it hard to see one existing regardless.

3: Absence of 'softer' provisions may lead to the spectrum not being used to the benefit of society

The absence of such provisions will have a very real detrimental impact on the auction process today, allowing spectrum hoarding by businesses and financial investors, leading to spectrum not being used and the societal benefits derived from the national spectrum asset being foregone.

Ofcom delineates between efficient hoarding (where spectrum is mothballed awaiting a future date where rollout will happen) and inefficient hoarding (where a business purchases spectrum with no discernible plan of action or investment or merely to make a financial return.) Certainly in the second case, and arguably in the first, society is prevented from gaining benefit from spectrum (a national asset) by a commercial enterprise.

Many of our letters of support for Channel M (included as an Appendix) mirror this point of view, including 2 from our local MPs.

*"Competition [for spectrum] is of course part and parcel of running a business. Nevertheless, I would not be able to countenance a situation whereby a company could successfully bid for the spectrum, only for it to be left unused[...], whilst all the time other smaller companies could be putting a place on Freeview to good use"* – **John Leech, MP for Manchester Withington, 11 August 2008**

*"There ought to be a presumption that this type of offer [from Channel M] has a priority position when places on the spectrum are awarded, rather than those with a purely financial base"* – **Ivan Lewis, MP for Bury South, 6 August 2008**

**Question 26. Do you agree with our initial assessment that we should not intervene in the geographic interleaved award to remedy any potential impact on competition resulting from the holding of geographic interleaved spectrum by either Sky or NGW/Arqiva?**

Please see our response to question 23



## Appendix 1 – Letters of Support Received for Channel M

### **MPs and MEPs**

Ariene McCarthy, MEP  
Graham Brady, MP Altrincham and Sale West  
David Heyes, MP Ashton-under-Lyne  
Ivan Lewis, MP Bury South  
Andrew Gwynne, MP Denton & Reddish  
Ian Stewart, MP Eccles  
Jim Dobbin, MP Heywood & Middleton  
Ian McCartney, MP Makerfield  
Graham Stringer, MP Manchester Blackley  
Tony Lloyd, MP Manchester Central  
John Leech, MP Manchester Withington  
Hazel Blears, MP Salford  
Ann Coffey, MP Stockport  
Beverley Hughes, MP Stretford & Urmston  
Vincent Cable, MP Twickenham  
Barbara Keeley, MP Worsley

### **City and Metropolitan Councils**

Bury Metro  
Manchester City Council  
Oldham Metropolitan Borough  
Salford City Council  
Stockport Metropolitan Borough Council  
Tameside Metropolitan Borough Council  
Wigan Council

### **Chambers of Commerce, LDAs and Regeneration**

Central Salford  
Greater Manchester Chamber of Commerce  
Manchester Enterprises  
Manchester's Investment & Development Agency  
Marketing Manchester  
Northwest Regional Development Agency

### **Support Services/ Government Agencies**

Army  
GMPTE  
Greater Manchester Fire & Resue Service  
Greater Manchester Fire Department  
Greater Manchester Police Authority  
High Sheriff of Greater Manchester  
Youth Charter

### **NHS Trusts, Hospitals, GPs**

LMC  
Bury NHS  
The Pennine Acute Hospitals NHS  
Central Manchester & Manchester Children's University Hospital  
Greater Manchester & Cheshire Cancer Network

### **Universities and Colleges**

Bolton Community College  
Burnage Media Arts College  
Manchester Metropolitan University  
Stockport College  
The Manchester College  
The University of Manchester  
The University of Salford  
University of Bolton  
Camberwell Park School  
Crumpsall Lane Primary School  
Lily Lane Junior School  
Manchester City Council SureStart  
St George's RC High School  
Teacher Special School

### **Charities and Not For Profits**

Alternatives to Violence Project  
Alzheimer's Society  
Cash for Kids  
In The City Limited  
Indian Association  
Manchester International Festival  
Manchester Jewish Museum  
Manchester Library Theatre Company  
Manchester TUC Pensioners' Association  
MOTIV CIC  
Parkinson's Disease Society  
Rathbone  
The Angels Manchester  
The Lesbian & Gay Foundation  
The National Trust  
The Stroke Association  
UK Cheerleading Association  
Mothers Against Violence

### **Sports Clubs and Associations**

ARLFC Leigh Miners Rangers  
Ashton Curzon  
Belle Vue Speedway  
Bolton Rugby Union FC  
Brooklands Manchester University Hockey Club  
Bury Rugby Union Football Club  
Chester Rugby Union Football Club  
Lancashire County Cricket Club  
Leigh Centurions RLFC  
Oldham Athletic AFC  
RFL  
Rochdale AFC  
Sale Sharks  
Salford City Reds  
Sedgley Park RUFC  
The University of Manchester Sports Assn  
Trafford Athletic Club  
Widnes RUFC

### **Businesses**

4CT Limited  
ADF Management  
Alive Network  
All in One Garden & Leisure  
Andrews Quality Foods  
Angel Music Company  
Annabel Burton Astrology  
Artisan  
Ask Developments Ltd  
Bannatyne's Health Club  
Begbies Traynor  
Bliss Hair Design  
Born to Run  
Boss Model Management  
Bruntwood  
Bryher Business Partnership Ltd  
Calibre Music Ltd  
Castlefield Clinic Ltd  
Centini  
Champion in Manchester  
Cheshire Building Society  
Chip PR  
Chris Hanley Photography  
Cibitas Investments Ltd  
Circus Starr  
Cityco  
Clippys Ltd  
Cobbetts LLP  
Columbia  
Cornerhouse  
Creative Industries Development Service  
Dandara  
Emma Rosenthal  
Fido PR  
Green Row PR

### **Businesses (contd.)**

Halliwells LLP  
Heritage Works  
Impact Media PR  
Inner Sanctuary  
ISIS  
James Lester Photographer  
Jo Houlcroft Communications  
Knight Frank  
L'Oreal Professional Products Division  
Love Those Shoes  
Luxury Backpackers Ltd  
Lynne Arnold Marketing  
Manchester Dog's Home  
Manchester Evening News Arena  
Manchester Fashion Network Ltd  
Manchester Food & Drink Festival  
Manchester in Fashion  
Manchester School of Samba  
Mindmasters  
Morello Cherry Actors Agency  
Neil Adams PR  
New East Manchester  
News of the World  
Nicky Oliver Hairdressing  
Nidges Casting Agency  
Nik Speakman Success Coach  
Northwest Vision & Media  
Nutters Restaurant  
NW Rewards Ltd  
On The Eighth Day Co-operative Ltd  
Pazang Marketing PR  
Peel Holdings  
Pinsent Masons  
Pro Manchester  
PRUPIM Manchester Arndale  
PS5 Limited  
Raised on Radio  
Real  
Reification Sponsorship & Alliance  
Relaxation for Living Institute  
Right Way Physical Training  
Rowetta.com  
Rowlands Solicitor LLP  
Royal Exchange Theatre  
Ruby Lounge  
Sandman Magazine  
Sausage R Us  
Savin Hill  
Scruffy Bird Ltd  
Shirlaine Forrest Photography  
SJM Concerts  
Slattery Patisserie & Chocolatier  
Sportcity - New East Manchester  
Soothedclinic  
Souter  
Stagecoach Manchester  
Suzanne Showman Freelance Make-up Artist  
The Aftershow Ltd Company  
The Baby  
The Bay Horse/Soup Kitchen/Cord Bar  
The Frog & Bucket Comedy Club  
The Lonley Hearts Club  
The Lowry Art & Entertainment  
The Lowry Hotel  
The Manchester Airport Group plc  
The Manchester Lifestyle Hospital  
The Real Lancashire Black Pudding Co  
Thistle Hotel  
Unicorn Grocery  
United City  
United Utilities  
Vicky Martin (Concessions) Ltd  
Virgin Records Ltd  
Young Advisors

## Appendix 2 – letters of support by separate attachment