

Title:

Mr

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Name and title under which you would like this response to appear:

Freeview Sky Picnic Proposal

Representing:

Self

What do you want Ofcom to keep confidential?:

Keep nothing confidential

If you want part of your response kept confidential, which parts?:

Ofcom may publish a response summary:

Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Question 1: To what extent do you consider that DTT, DSat, cable and IPTV are in competition with one another for subscribers of pay TV services ? either at present or in the future?:

Cable and DSat are in direct competition as pay-per-view platforms. DTT is the cheap alternative for those who simply want to get the best value from their license fee. IPTV, on the other hand, allows TV to be received from any country in the world - which would be useful for ex-pats and TV-hams. In the long term, IPTV is likely to be superceded by video on demand.

Question 2: To what extent do you consider the Proposal is likely to deliver benefits to the consumer?:

The only benefit would be to encourage the UK to move to MPEG-4. Unfortunately, such a move would be as big a change as the move from analogue to digital, since the whole nation would have to buy new set-top boxes.

Question 3: To what extent do you consider that there is scope for sustainable competition in pay TV on the DTT platform and, more broadly, across all pay TV platforms?:

There is not much room for pay-TV on DTT - so not many people take this option. Buying a set-top box for a single pay-TV service would fragment a small market even further - perhaps making it unviable. So, for any meaningful competition, a single box would be required for all services.

Question 4: What are likely to be the key aspects of competition between providers of retail pay TV services on the DTT platform? E.g. what is the role of premium sports and movies content?:

Since Freeview already offers multiple channels, including Film 4, the key aspect of DTT pay-TV is likely to be sport.

Question 5: Do you consider that if Sky were to become the only provider of pay TV on the DTT platform it would be likely to have a significant detrimental effect on competition in the long term? How might this affect the development of other platforms for the delivery of pay TV services?:

There would no longer be competition between DTT and Sky DSat. Sky would probably put its best programming on DSat, since if it put them on DTT, then people would move away from DSat. Thus Freeview would become a less attractive platform.

Question 6: To what extent, if at all, do you consider that the Proposal would be likely to lead to any of the public policy concerns outlined at Section 4?:

A DTT pay TV set-top box that cannot receive all DTT stations would lock you in - and fragment the market. Such a fragmented DTT pay TV market would be unattractive and unlikely to grow. Customers would be more likely to choose cable or DSat.

Question 7: Specifically, to what extent do you consider that the Proposal would be likely to lead to consumer confusion?:

Very much so. Several of my less technical friends are already having problems understanding Freeview. They know that you need an extra box but that is about it -

someone else has to set it up. A choice of boxes, offering different services, is likely to encourage people not to buy DTT at all!

Question 8: To what extent do you consider that it is beneficial for consumers to be able to obtain Sky and existing DTT pay TV content without having to purchase separate STBs?:

Requiring only one box immediately gives you more choice. If you want a particular pay TV channel then you simply pay for it. You are unlikely to do that if you require a new box. Secondly, many people do not like set top boxes at all. They prefer TVs with "digital built-in" since they are simpler to use, easier to understand, and look better.

Question 9: Do you consider that the Proposal might lead to any additional public policy concerns:

By making the Freeview platform less attractive then DSat becomes more attractive. The more of the market that Sky controls, the more easy it is for it to only broadcast only one point of view. Sky already does not beam the BBC into China.

Question 10: If Sky becoming the only provider of pay TV services on the DTT platform were likely to have a significant detrimental effect on competition, do you consider that it is possible to address this through a set of additional conditions and/or directions? If so, what form should those conditions/directions take?:

(1) The main problem is that Sky owns both the platform and the station. Sky TV needs to be split apart from Sky the broadcaster. Going further, no TV company should be allowed to own, or have shares in, a platform. (2) TV companies should rent channels on the open market. They should not, however, be allowed to rent an unreasonable number of channels, nor should they be allowed to buy up channels and re-rent them to other companies. (3) Bundling of channels should be outlawed. Viewers should be allowed to cherry-pick the channels they want.

Additional comments:

This move by Sky is clearly designed as a spoiler. It is likely to be detrimental to the rise of DTT pay TV. It will also make Freeview less attractive and more confusing to the man in the street.