

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

Wrights Radio Relay Limited

**Representing:**

Organisation

**Organisation (if applicable):**

Wrights Radio Relay Limited

**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?:**

It is our position that DTT, Dsat, cable and IPTV services are in direct competition with each other subject only to geographic constraints meaning that some services remain unavailable to a large number of viewers in rural areas.

Whilst the Digital Switchover Process will make DTT available to majority of households, other platforms like cable and IPTV will remain either technically or commercially unviable in rural areas, and therefore competition in rural areas will be a two horse race between DTT and DSat services.

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

We do not believe that the current Sky proposal would deliver any additional benefit to the consumer, as the proposed content is already available on Sky's DSat platform.

**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?:**

Due to the capacity constraints of the current DTT platform, it is our belief that adding a second provider of pay services to the DTT platform would be unsustainable, and that at some point in the future we would end up with a single dominant pay provider with either little or no competition. Similar to the current situation with DSat in the UK.

There is however room for sustainable competition between providers across all platforms, provided that there are controls in place to prevent one provider from using their market dominance on one platform to prevent new providers from competing on other platforms.

**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?:**

Competition between pay providers on the DTT platform is likely to be content driven. In an ideal world there should only be one CA system in use on the DTT platform, and this should be administered by one company so that viewers are able to subscribe to any the full range of services without having to purchase different receivers for different channels.

**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?:**

We believe that in the long term if Sky were to become the only pay provider on the DTT platform this would have a significant detrimental effect upon competition within the pay TV market as a whole.

Having one provider being the dominant player on the two most widely available platforms DTT and DSat would make it more difficult if not impossible for smaller organisations to compete on other platforms cable, IPTV etc. due to the level of competition when purchasing content for broadcast.

**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?:**

This proposal if approved would be detrimental to the appeal of the Freeview service by reducing the number of FTA channels on the DTT Platform.

Sky's proposal to use their NDS encryption platform means that viewers would have to use hardware specified by Sky. This means that viewers would not be able to view the Sky channels through DTT tuners in new TV's by using a CAM. Sky / NDS have already demonstrated on the Dsat platform that they are unwilling to provide a CAM module to give viewers a greater choice of reception equipment.

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

Operating multiple CA systems on the one platform could cause confusion for viewers who may not be technically aware of the difference between the receivers and under the belief that they could watch programs from either operator with just one receiver, just by swapping the card.

If Sky's proposal were to be accepted, it should be a condition that Sky / NDS should release a CAM that would allow an equipped DTT receiver to be fitted with both a NDS and Mediaguard cam to allow viewers to gain access to both the Sky and TUV services using a single receiver.

**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?:**

It is essential for competition to be effective that both the existing pay DTT services and Sky services be available to consumers without having to have separate receivers, due to the added complexity of using multiple set top boxes to gain access to a full range of services.

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

None

**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?:**

In the event that Sky became the only provider of DTT pay services and that this became detrimental to competition, we do not believe that further conditions would be effective. By the time that it becomes clear that intervention to maintain competition was required, irreparable damage to competition and the other DTT pay providers would have been done.

**Additional comments:**