

Comments of Hong Kong Cable Television Limited on the consultation paper “*Consultation on Digital Broadcasting: Mobile Television and Related Issues*”

I. Introduction

- 1.1 Hong Kong Cable Television Limited (“HKCTV”) welcomes the opportunity to express its comments on the consultation paper “*Consultation on Digital Broadcasting: Mobile Television and Related Issues*” (“Consultation Paper”) issued by the Commerce, Industry and Technology Bureau (“CITB”) on 26 January 2007. HKCTV, for the reasons set out below, suggests that the two single frequency network (“SFN”) multiplexes in the UHF Band should be made available for mobile television (“mobile TV”) services along with Digital Terrestrial Television (“DTT”) services. HKCTV is also of the view that mobile TV should be licensed under the Broadcasting Ordinance. To foster competition and facilities investment, the two remaining SFN multiplexes in the UHF band should be licensed to new applicants instead of incumbent DTT and mobile telecommunications licensees.

II. The two SFN multiplexes should be made available for mobile TV services

- 2.1 In order to expedite the launch of mobile TV services in Hong Kong, the two SFN multiplexes should be made available for mobile TV services. In HKCTV’s view, the deployment of these two SFN multiplexes for mobile TV services should be in tandem with the provision of DTT and licensed under the Broadcasting Ordinance.

III. Mobile TV should be licensed and regulated under the Broadcasting Ordinance

- 3.1 In paragraph 5 of the Consultation Paper, the Government indicated that it was ‘*guided by the well-established “market-led” and “technology-neutral” principles*’. HKCTV agrees with this “*technology-neutral principle*” in the regulation of mobile TV business. Regarding the question as to whether mobile TV should be licensed under the Broadcasting Ordinance, the Government put forward one of the arguments for requiring mobile TV to be licensed under the Broadcasting Ordinance in paragraph 52 of the Consultation Paper:

“Mobile TV appears to be one form of digital broadcasting services and there should not be any regulatory asymmetry as what distinguish mobile TV services from traditional TV services is arguably not fundamental.”

HKCTV supports such approach.

- 3.2 On the other hand, the arguments put forward by the Government in not licensing mobile TV in paragraph 51 of the Consultation Paper are not entirely convincing. Although the Government would prefer a “*light-handed*” approach so as not to stifle the development of a new service, similar service should be subject to the same regulatory framework. Given that mobile TV makes use of

broadcasting frequency, it should come under the same licensing requirement under the Broadcasting Ordinance. In relation to the third point in paragraph 51 of the Consultation Paper, the findings of O2's trial in United Kingdom indicated that many consumers actually preferred viewing traditional free to air programme using their mobile TV devices.

- 3.3 Unlike what the Government indicated in the second point of paragraph 51 of the Consultation Paper, it is too early for anyone including the Government to assert that mobile TV would be unlikely to “*emerge as a substitute for traditional television services and attain similar reach of audience*”. By making use of broadcasting frequency, mobile TV service would reach everyone in Hong Kong through radio wave which is exactly the same as free television service today. Mobile TV might not be a full substitute for traditional television services but, with a proper business model, it could attain similar reach of audience easily.
- 3.4 If the Government would like to address the concern about the “*timely deployment of mature and commercially viable technologies in Hong Kong and availability of new services to consumers*”, we believe the Government could expedite the licensing of the two UHF SFN frequencies for mobile TV and DTT services.
- 3.5 Finally, to foster competition in the free-to-air TV sector and to give consumer wide choice of mobile TV services, the Government should allocate the two UHF SFN frequencies to new applicants instead of the incumbent DTT and mobile telecommunications licensees.

IV. Concern over the deployment of L Band for mobile TV services and digital audio broadcasting services

- 4.1 Paragraphs 22 and 28 of the Consultation Paper make reference to the possible deployment of L Band for mobile TV and digital audio broadcasting (“DAB”) services. Although HKCTV currently does not use L Band in the airwave, HKCTV, as explained below, has reservation over the deployment of L Band for such services.
- 4.2 HKCTV is now using L-Band for inter-facility links between equipments. For instance, in relation to MMDS reception, L Band is used between the antenna and the receiver while, in MMDS transmission, L Band is an intermediate stage of up conversion to the MMDS frequency. Likewise, for satellite-acquired signal, L Band is used as video link between the antenna and the receiver. If the mobile TV transmitters are physically located near HKCTV satellite reception and MMDS sites, they may create ingress noises and interrupt the operations of both systems. For this reason, HKCTV has concern over the deployment of L Band for mobile TV and DAB services. In HKCTV's view, the Government should conduct detailed technical field testing to quantify the L Band interference to satellite reception and MMDS systems before considering L Band spectrum for mobile TV or DAB services and the Government should consult the industry on the method of technical field testing.

V. Conclusion

- 5.1 To conclude, in order to speed up the introduction of mobile TV service in Hong Kong and to foster further competition in the free-to-air TV sector, the two remaining SFN multiplexes in the UHF Band should be licensed under the Broadcasting Ordinance as soon as possible and allocated to new applicants instead of the incumbent DTT and mobile telecommunications licensees. In addition, in view of HKCTV's concern on possible interference of L Band mobile TV and DAB services with satellite reception and HKCTV's MMDS services, the Government should conduct detailed technical field testing to quantify the L Band interference to satellite reception and MMDS systems before considering L Band spectrum for mobile TV or DAB services.