

Redacted Version

Arqiva response to DUK Consultation Document
Reorganisation of the DTT LCN listing and changes to
Digital UK's LCN Policy

6 January 2017

Introduction

Arqiva welcomes the opportunity to respond to DUK's consultation, 'Reorganisation of the DTT LCN listing and changes to Digital UK's LCN Policy' published on the 18th October 2016. As the owner and operator of the UK's DTT network, we have a clear interest in the orderly management of DTT LCN listing. In addition, as the licence holder of four DTT multiplexes we have significant insights into the value of the services to channel providers, viewers and the DTT platform and how their interests should be considered effectively alongside the requirement to accommodate the growing number of services.

In response to the questions in the consultation document we set out a number of areas where, in our view, DUK's proposals should be modified to secure a better outcome for channel providers and viewers. However, we are in broad agreement on the key thrust of the consultation, namely DUK's ambitions to develop its listing and apply the LCN policy for the long-term benefit of the DTT platform.

About Arqiva

Arqiva is a communications infrastructure and media services company, operating at the heart of the broadcast and mobile communications industry. Arqiva provides much of the infrastructure behind television, radio, mobile and other wireless communications in the UK and we are at the forefront of network solutions and services in an increasingly digital world.

The company supports cellular, wireless broadband, video, voice and data solutions for public and private sector customers.

In the TV space, Arqiva is a founder member and shareholder of Freeview, Youview and Digital UK. Freeview is the largest TV platform in the UK delivering over 60 digital TV channels, including 15 HD channels, and 24 radio stations free to the UK public. Arqiva owns and operates the networks for all of the Freeview multiplex licence holders and is the licence holder for four of the DTT multiplexes, including the two interim HD multiplexes – Com 7 and 8. Our networks cover 98.5% of UK households with the public service channels, around 90% of households with commercial national services and 76%¹ for the services on the interim HD multiplexes.

Our major customers include the BBC, ITV, Channel 4, Five, BSkyB, UKTV, Sony, AMC, Ideal World, QVC, RT, Al Jazeera Networks, Global Radio, Bauer Media, BT and the four UK mobile operators.

Arqiva is owned by a consortium of infrastructure investors and has its headquarters in Hampshire, with major UK offices in London, Buckinghamshire and Yorkshire and operational centres in Greater Manchester, West Midlands and Scotland.

¹ Ofcom 'Connected Nations 2015', December 2015.

Responses to questions

Question 1: Do you believe that Option A would be a suitable new LCN listing structure for the DTT platform?

No, Arqiva does not believe that such a re-ordering is appropriate given that Freeview is first and foremost a DTT platform. Arqiva does not agree therefore that any DTT channel genres should be displaced or re-ordered behind IP Streamed or IP delivered service genres.

Option A proposes to move Adult immediately before popular radio services, and they will be directly adjacent to BBC Radio 1. Any BBC Radio 1 listener that inadvertently scrolls the "wrong" way on their remote control might get an unexpected surprise! Also the SD simulcast area is adjacent to Adult and so may carry similar risks. Our preference is therefore not to adopt Option A

Question 2: Do you believe that Option B would be a suitable new LCN listing structure for the DTT platform?

Yes. For the reasons given in answer to Question 1 above

Question 3: Do you have a preference for one option over the other?

Yes, Option B. It keeps the genres in the same relative order as the current listing and it keeps Adult buffered for consumer protection issues. Nor does it put Adult services next to popular radio services

Question 4: Do you have any other comments on Digital UK's proposed changes to the LCN listing?

Yes, Streaming Services should also include by definition any HbbTV delivered services

Question 5: Do you agree with Digital UK's proposed approach to the timing of any changes?

Yes, and we would encourage any changes to be made sooner rather than later

Question 6: Do you agree with Digital UK's proposals regarding minimum broadcast hours?

Yes

Question 7: Do you agree with Digital UK's proposed new launch process and timings?

Yes

Question 8: Do you agree with Digital UK's proposed approach to LCN sharing?

Yes

Question 9: Do you agree with Digital UK's definition of 'common control'?

[REDACTED]

Question 10: Do you agree with Digital UK's proposal regarding the 'public service rule'?

Yes

Question 11: Do you agree with Digital UK's proposal regarding the 'associated channels rule'?

Yes

Question 12: We would welcome stakeholder's views on the options for Stage 3 of the vacated LCN rules.

Option B Transactional model, but we look forward to understanding the mechanics in more detail, specifically not to disadvantage non-PSB and non-PSB owned channels

Question 13: Do you agree with Digital UK's proposed timeline for channels to complete an LCN move following an allocation under the vacated channel rules?

Yes, so long as this includes the 2 week decision-making period for the broadcaster to accept the allocated LCN

Question 14: Do you agree with Digital UK's proposals to amend the rules around channel providers reordering channels within their channel portfolio?

Yes

Question 15: We welcome stakeholder views on whether public service channels should be permitted to reorder the channels they control within a genre

Yes. With the exception of the first five positions on the EPG we agree that, as long as it is consistent with the other principles of the policy (e.g. DTT ahead of IP services), public service channels should be permitted to reorder the channels they control within a genre as this is in line with other television platforms in the UK

Question 16: Do you agree with Digital UK's proposals around channels changing their name and/or content?

No. [REDACTED]
[REDACTED]. It needs to be made explicitly clear that it is the broadcaster that has a contract for the LCN with DUK, and not the individual 'channel brand'. [REDACTED]
[REDACTED]
[REDACTED]

Question 17: Do you agree with Digital UK's proposal to retain but re-word the 'shuffle-up' rule?

Yes

Question 18: Do you agree with Digital UK's proposals around the treatment of streamed services?

Yes

Question 19: Do you have any comments on the proposed new wording and structure of the LCN Policy, aside from issues you have mentioned in response to other consultation questions?

[REDACTED]
[REDACTED]
[REDACTED]