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**DIGITAL UK**

**Re-organisation of the DTT LCN listing and changes to Digital UK's LCN Policy**

**CONSULTATION**

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**A Submission from STV Group plc**

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**Submitted by email to [consultation@digitaluk.co.uk](mailto:consultation@digitaluk.co.uk) FAO: Sarah Fox**

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## **Executive Summary**

1. STV Group plc ("STV") welcomes the opportunity to contribute to Digital UK's consultation on the Reorganisation of the DTT LCN listing and changes to Digital UK's LCN Policy.
2. STV is the commercial public service broadcaster for Scotland. Within the group, STV owns the two regional Channel 3 services (branded as "STV") broadcasting across central and north Scotland, along with its portfolio of local digital television channels, presently broadcasting in the cities of Glasgow and Edinburgh and which will launch in Aberdeen Ayr and Dundee early in 2017.
3. STV's preoccupation in any re-organisation of the DTT LCN listing and changes to Digital UK's LCN Policy is to ensure the delivery of prominence for PSBs. Discoverability is important both for Channel 3, with its regionally differentiated licence structure that delivers relevant PSB for different parts of the UK, and for STV's local television channels which are designated as public service channels. Other than the BBC, STV is the only public service broadcaster on the Digital UK EPG with more than one public service channel.
4. STV acknowledges that Digital UK must address channel listing capacity issues to meet foreseeable LCN demand and recognises Digital UK's objective to allocate and manage LCNs efficiently. STV notes that viewers will not lose access to services if they do not retune and will continue to see them at their old LCN.
5. STV agrees that non-public service channels should not be permitted to share LCNs with public service channels. STV acknowledges that there may in practice be some overlap in the coverage with some local public service channels that are licensed to serve distinct geographical areas. STV agrees that in such cases Digital UK may decide that such channels should share an LCN.
6. The services presently occupying the first five positions on the EPG should be allocated the first five positions and that there is strong viewer expectation of accessing these services there. Accordingly it is STV's view that reordering the first five positions on the EPG should not be permitted.
7. STV believes that public service channels should not be permitted to swap with non-public service channels as that would allow a channel that had not been awarded prominence as a listed public service channel to benefit from a channel that had been.

## **End of Executive Summary**

## STV Response to DUK Consultation questions

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

**A. STV acknowledges that Digital UK must address channel listing capacity issues to meet foreseeable LCN demand. STV believes that Option A would be a suitable new LCN listing structure for the DTT Platform.**

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

**A. Yes. STV believes that Option B would also be a suitable new LCN listing structure for the DTT Platform.**

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

**A. No. STV operates commercial public service channels in the general entertainment genre and is unaffected by, and has no preference for, either Option.**

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

**A. STV agrees that some viewers may need help to find services at their new location and that channel providers need time to prepare for such events. STV notes that viewers will not lose access to services if they do not retune but will continue to see them at their old LCN, that a national retune campaign will be provided following a similar model used to support the Children's and News genre moves in 2014 and that all channel-led activity is co-ordinated with the wider campaign.**

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

**A. STV recognises the need to allow time for appeals and a period before any changes are implemented. STV agrees with the principle of minimising disruption through co-timing of various changes for a single date and notes the Digital UK intention to support changes with a national re-tune campaign. We support the proposed timeline of summer 2017 although we recognise this may be ambitious where channel operators need to prepare for changes that directly affect them.**

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

**A. STV recognises Digital UK's objective to allocate and manage LCNs efficiently. STV is aware that other UK television platforms specify a minimum number of hours per week that a channel must broadcast. STV presently broadcasts on the Sky Platform and complies with its minimum broadcast hours. STV agrees that, if set, minimum broadcast hours should not be set at too high a level and is not averse to the adoption of the approach proposed by Digital UK.**

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

**A. STV has no view on Digital UK's proposed new launch process and timings.**

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

**A. STV operates public service channels and agrees that non-public service channels should not be permitted to share LCNs with public service channels. STV recognises that non-public service channels could otherwise benefit from the public service channel's improved prominence arising from the public service channel's ability to move listing when a vacancy arises.**

**STV has no present view on whether non-public service channels should only be permitted to share LCNs with others they are associated with.**

**STV agrees that in the event that a channel's coverage expands such that the coverage area overlaps beyond a minimum the fairest rule is that the expanding channel should leave the LCN and be allocated a new LCN. For this point, and in the case of overlapping local services addressed below, STV suggests that the "minimum" overlap be specified in the interests of predictability and consistency for channel operators, rather than at the discretion of Digital UK on a case-by-case basis.**

**STV acknowledges that in the case of some local public service channels that are licensed to serve distinct geographical areas there may in practice be some overlap in their actual coverage. STV agrees that in such cases Digital UK may decide that such channels should share an LCN.**

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

**A. STV agrees with Digital UK's definition of 'common control'.**

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

**A. STV agrees with Digital UK's ongoing objective of ensuring the ongoing prominence of broadcast public service channels and to that end agrees with the retention of the 'public service rule' and the proposed clarification.**

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

**A. STV operates public service channels and has no present view on the associated channels rule.**

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

**A. STV has no present view on the options for Stage 3 of the vacated LCN rules.**

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?

**A. STV has no present view on the proposed timeline for channels to complete an LCN move following an allocation under the vacated channel rules.**

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

**A. STV has no present view on Digital UK's proposals to amend the rules around channel providers reordering channels within their channel portfolio.**

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

**A. STV agrees that;**

- **there is a long history of the services occupying the first five positions on the EPG being allocated the first five positions, and that this is consistent across TV platforms in the UK;**
- **there is strong viewer expectation of accessing these services at these LCNs;**
- **reordering for the first five positions on the EPG: BBC One at LCN 1, BBC Two at LCN 2, the Channel 3 licensees at LCN 3, and so on should not be permitted;**
- **while Digital UK continues to operate an HD genre the HD versions of the public service channels using LCNs 101 to 105 should be excluded from the reordering rules; and**
- **a public service channel should not be permitted to swap with a non-public service channel as it would allow a channel that had not been awarded prominence as a listed public service channel to benefit from a channel that had been.**

**Otherwise, STV has no present view on whether public service channels should be permitted to reorder the channels they control within a genre, but would welcome clarity that in the case of geographically shared LCNs, only those regions/channels controlled by the PSB operator could be swapped, with other channels co-located on the same LCN remaining unaffected with continued access to the locations that they serve.**

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

- A. STV agrees that a channel should be permitted to 'evolve' by changing its name, content and broadcast hours and nonetheless retain its LCN, so long as it does not evolve to such an extent that Digital UK considers it should no longer be considered to be the same channel.**

**STV agrees that to minimise disruption to the platform only one request to change the name of their channel may be submitted in any 12-month rolling period.**

**STV agrees that if, at any time, Digital UK finds that a channel has changed such that it would be more appropriately placed in a different genre, the channel may be moved to that genre. It will be allocated an LCN within that genre, according to the usual rules for LCN allocation.**

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

- A. STV agrees with Digital UK's proposal to retain and re-word the 'shuffle-up' rule.**

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

- A. STV has no present view on Digital UK's proposals around the treatment of streamed services.**

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?

- A. Aside from our responses to the preceding consultation questions, STV has no further comment on the proposed wording and structure of the LCN Policy.**

**end**