
Statement

of ‚Deutsche TV-Plattform‘

on analogue/digital switchover to

>DVB-T: Das ÜberallFernsehen<

Preface

According to the decision of the German Federal Cabinet of August 24, 1998, the conventional terrestrial broadcasting of TV programmes in Germany is to be converted in the medium term from analogue to digital technology (‘DVB-T’ = Digital Video Broadcasting – Terrestrial). The deadline for this switchover is set to year 2010 at the latest.

However, the conditions for terrestrial broadcasting are not as easy as for cable or satellite. The reason for this is that the *introduction* of digital broadcasting in parallel to the existing analogue distribution – as common in other countries – is not possible in Germany because of the high density of transmitters; there are not enough frequencies available.

For this reason, the existing analogue transmitters have to be switched-off more or less simultaneously (i.e. after only a short transitional period) with the start of digital broadcasting.

1. Introduction

A number of different studies, among them one of Deutsche TV-Plattform¹), have come to the same conclusion that under these conditions a nation-wide switchover in Germany is only possible on a step-by-step basis in individual regions which are independent from each other.

The schedule of actual plans is to start with the switchover in individual conurbations (so-called 'island approach') and then to gradually expand from there to the larger area.

The nation-wide process of digitalisation started in 2002 with the analogue/digital switchover in the conurbation of Berlin/Brandenburg. The switchover was based on the signing of the 'Berlin Agreement' on 13.02.2002 by the participating public and private broadcasting stations and the 'Medienanstalt Berlin-Brandenburg' (mabb_). Regular digital programme broadcasting was started on 01.11.2002.

This first German switchover project concluded with the switching-off of the last four analogue transmission stations on August 4, 2003.

Berlin/Brandenburg was chosen as the initial region as it offered favourable frequency as well as economic conditions for the switchover to DVB-T compared to other German regions.

In Mai 2003, first interim results of the 'Deutsche TV-Plattform' have shown that the switchover was very successful up to then. Meanwhile, a point has been reached where a reversal is no longer possible.

In order to avoid that Berlin is becoming an isolated island in the long run, it is absolutely necessary to plan and to realise a step-by-step switchover of other additional regions. The experiences made in the Berlin project could and should be evaluated and if possible, be used.

The challenge now is to create adequate conditions for the successful introduction in the other regions.

This statement describes and analyses previous results from the Berlin/Brandenburg region (2.), roughly informs about the current situation in the other German regions (3.) and tries to analyse to which extent and how the experiences and results from Berlin/Brandenburg could be applied to the introduction strategy for the other German regions (4. and 5.)

¹ Please see common report of the Working Group 'DVB-T Introduction (1)' of the Deutsche TV-Plattform and the Initiative 'TV 2000' of 29.06.1999.

2. Parameters of success of the switchover to DVB-T in Berlin/Brandenburg

Even before the final conclusion of the first analogue/digital switchover in Germany, some important parameters of success can be identified:

- Overall control by mabb_ with the result of an successful balancing of interests between public and private broadcasters.
- Determined and resolute realisation of the measures which have been agreed and decided on.
- A communication concept for all involved parties which is supported and financed by all programme providers and the mabb_.
- Professional implementation of the communication concept with inclusion of the terminal equipment manufacturers and the trade sector and with the support of neutral institutions (GARV, Deutsche TV-Plattform).
- No politicization of the introduction.
- Successful co-operation of transmitter network operators, particularly regarding mutual utilisation of locations.

3. Current situation of DVB-T in the other regions

As a result of Germany's federal structure on the one hand and different conditions as frequencies, topography and/or population density on the other hand, the current situation in the different German regions varies a lot, with the consequence that the results from Berlin cannot always be applied on a one-to-one basis. In particular, the situation is as following:

- The involvement regarding the market introduction of DVB-T of the responsible governments of the individual German states and the states' public media organisations is very different in the individual regions as the result of the country's federal structure.
- In contrast to public programme providers, the market entry of the private programme providers is entirely depending on commercial factors. However, the financing for private programme providers is still not clear.
- The idea of providing financial support for the market introduction of DVB-T as realised in Berlin has only be put in concrete terms in North Rhine-Westphalia.
- The regional agreements which are currently being prepared (e.g. following the example of Berlin) have not yet been negotiated or finally concluded. For this reason, it is not yet possible to draft a binding nation-wide schedule.
- An agreement on the simultaneous switch-off of analogue transmissions of public as well as private programmes in the individual regions is mostly depending on the respective demands of public broadcasters for simulcast of their programmes.
- Binding commitments of the private programme providers to participate in other regions depend on the presentation of GfK²-based positive 'results from Berlin'. These may be available in the third quarter of 2003.

² GfK Marketing Services = market research company

4. Requirements for a switchover to DVB-T in the other regions

Prior to a switchover, comprehensive individual planning and preparation work is necessary in the respective regions/conurbations.

These include e.g. the following process steps:

- Identification of goals and target regions of the state/media organisation
- Analysis of potential of analogue frequencies
- Drafting a planning proposal and concluding an agreement on it among all participants
- Initiate required frequency co-ordinations
- Analysis of distribution costs and conjoint clarification of possible financial aid
- Drafting and conclusion of an agreement between all participants
- Notification of needs/frequency assignment by RegTP
- Co-ordination with equipment industry (schedule, broadcasting areas and area size, communication, ...)
- Drafting of a joint communication concept for target groups:
 - Commerce and craft (scheduling, assistance for argumentation and motivation, ...)
 - End users (schedule, more programmes and new contents, mobility, ...)

A special role is assigned here to a co-ordinated and binding contractual 'agreement' following the Berlin model concluded between all participants (public and private broadcasters, federal media organisation(s), Telekom and if necessary other transmitter network providers, perhaps also state government).

Core elements of this agreement are:

- Distribution of available transmission capacities
 - Which broadcaster must give back which analogue capacity?
 - Which broadcaster receives which digital capacity?
- Binding schedule for the introduction
- Decision on simulcast operation
- Drafting of a financing concept considering
 - previous analogue distribution costs and
 - reachable viewer potential
- Fixing of the framework conditions regarding form and extend of the joint communication concept (content, realisation and financing)
- Treatment of marginal groups (solution to the question of what is socially acceptable)

5. General recommendations

- 5.1** A nation-wide appearance under the brand name 'DVB-T: Das ÜberallFernsehen' is most important for being successful with the end user/viewer!

The basic concept used in Berlin/Brandenburg should be retained in its original form for the introduction of DVB-T (appearance and trademark, communications, press activities ...) and be adapted in all regions as far as possible taking into account their specific requirements and possibilities.

This applies to all measures within the scope of the required communication concept mentioned under no. 3, i.e. to internal and external advertising and PR measures as well as e.g. to the WebSite (only one central WebSite for all individual projects!).

- 5.2** The specialised trade and craft are particularly important channels for reaching the end consumer!

This group should therefore be given special attention in the framework of the communication concept. In particular, early motivation for this new business field and detailed information on all items related to the switchover (schedule, programmes, product situation, price level,) are very important.

It is recommended to have special events for the specialised trade in all other regions like those conducted in Berlin; these should also include the equipment industry.

- 5.3** In order to avoid in future starting problems like those which arose in Berlin during the first weeks with some receivers and also in the cable network (reception of DVB-T in cable head-end stations and re-analogisation), further improvements of interoperability between equipment and programmes are necessary.

For this purpose, the TV-Plattform is currently elaborating a number of 'minimum specifications' for programmes and equipment which should guarantee problem-free and correct interoperability, even in special cases such as e.g. transmission in 16:9 aspect ratio.

- 5.4** The switchover in Berlin has also shown that many consumers have problems with the new technology, especially with the installation and operation. The resulting frustration may have negative effects on the otherwise positive image of the overall system and thus reduce the willingness for a switchover.

The equipment manufacturers are therefore recommended to optimise features as easy operation and easy installation in addition to the technical parameters of their devices.

Furthermore, the TV-Plattform is currently studying if and to which extent e.g. a quality or 'conformity seal' which includes the equipment features mentioned under 5.3 and 5.4, could be defined and introduced on the market.

5.5 The project management is certainly particularly important!

As in Berlin/Brandenburg, the management and co-ordination of the market introduction process in the other regions should be executed only by one single institution!

This institution should have access to all decision-making levels of the participating organisations in order to be able to balance - if necessary - the interests of all parties involved, to carry out necessary lobbying activities and to elaborate interdisciplinary tasks to resolve e.g. the question of social acceptance.

In the planning and implementation phase of the market introduction, operational work has to be carried out under the chief responsibility of this institution.