David Harrison
Strategy and Market Developments
Ofcom
Riverside House
2a Southwark Bridge Road
London
SEI 9HA

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Dear David,

HD on DTT content management proposals

Thank you for your letter of 9 November 2009, in relation to the proposals for HD on DTT content management. This letter and the attached submission provides BBC Free-to-View Ltd's response to the specific questions raised in Ofcom's letter.

The attached submission sets out:

- 1. The proposed Freeview HD content management system and the anticipated benefits of this approach to citizens and consumers, and to the DTT platform;
- 2. The potential disadvantages of the proposed approach for citizens and consumers and proposals for how these would be addressed and/or mitigated; and
- 3. The other potential approaches which could be adopted and the reasons why these would be unable to deliver better outcomes for citizens and consumers than the proposed approach.

The role of the BBC in representing the DTT platform

Under the conditions of the capacity reservation order enacted by Government in July 2008, BBC Free to View Ltd is required to carry commercial PSBs within the capacity assigned to DTT Multiplex B. Currently, Multiplex B provides the only capacity available for the broadcast of HD television services on the DTT platform. If the DTT platform is to build an attractive and competitive HD service offering it is essential that the BBC and the other broadcasters using this capacity are able to offer the best possible range of HD content on this multiplex.

Without an effective content management approach the BBC and commercial PSBs are likely to find it substantially more difficult to acquire HD content for free-to-air broadcast on the DTT platform. This situation would place the DTT platform at a substantial disadvantage

relative to all other HD television platforms in the UK, all of which already implement content management controls.

The BBC's request to Ofcom

As set out in Alix Pryde's letter to Greg Bensberg of 27 August 2009, the BBC is seeking to amend Condition 6, paragraph (7) of its multiplex licence so as to permit the carriage of compressed SI EPG (Service Information Electronic Programme Guide) data which relates to the HD content broadcast on Multiplex B. Also, as discussed with Ofcom, the BBC is seeking confirmation that Ofcom would be prepared to make equivalent changes to the Multiplex C and Multiplex D licences, were Arqiva to request such changes, solely in respect of SI EPG data relating to the HD services on Multiplex B which are 'cross-carried' on these multiplexes.

The BBC confirms that the sole purpose of linking access to the Huffman 'Look-Up Tables' to the proposed HD content management system is to secure the best possible range of HD content for broadcast on the DTT platform.

The BBC also confirms that it will provide royalty-free licences to access these 'Look-Up Tables' on fair, reasonable and non-discriminatory terms to any party who undertakes to comply with the associated conditions in respect of HD content management. The BBC confirms that all parties seeking to licence access to these 'Look-Up Tables' will be treated equally regardless of whether they are consumer electronics manufacturers or organisations that wish to make use of this functionality within a system incorporating Open Source software, provided that it is clear that the tables themselves would remain the BBC's IPR, which would need to be separately licensed by a subsequent user or developer on terms which ensured the effectiveness of HD content management on the DTT platform.

While the BBC would hope that Ofcom's wider review of this matter can be completed quickly, the importance of giving full consideration of all of the issues raised by responses to Ofcom's previous consultation is understood. The BBC would, of course, be happy to provide any further assistance necessary to support further review of these issues.

Yours sincerely,

Graham Plumb Acting Controller, BBC Distribution

¹ These Huffman 'Look-Up Tables' provide the information necessary to decompress \$1 data - as described in Appendix 1 of the attached submission to Ofcom.