

BIG Broadcasting

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January 23, 2009

To

Shri R. N. Choubey,
Principal Advisor (B& CS)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg, New Delhi-110 002

Subject: Comments on TRAI's Consultation Paper on Interconnection issues
related to Broadcasting and Cable services

Dear Sir,

Please find attached herewith our comments on the aforesaid Consultation
Paper of TRAI.

Thanking you,

Yours sincerely,
for **Reliance BIG Broadcasting (P) Ltd.**



Sanjiv Shroff
Authorized Signatory

6.2 Interconnection for Addressable Platforms

6.2.1 Whether the Interconnection Regulation should make it mandatory for the broadcasters to publish Reference Interconnect Offers (RIOs) for all addressable systems, and whether such RIOs should be same for all addressable systems or whether a broadcaster should be permitted to offer different RIOs for different platforms?

- Yes, the broadcasters should have RIOs for all addressable platforms and publishing the same may be made mandatory. This would avoid discrimination among different addressable platforms.
- Broadcasters would need to have different RIOs for different platforms and different addressable platforms since the terms of an RIO depend on a variety of parameters including but not limited to mode of delivery/ distribution by an addressable platform, systems installed, etc.

6.2.2 Is there any other methodology which will ensure availability of content to all addressable platforms on non-discriminatory basis?

- TRAI should mandate all the broadcasters to offer their channels to all distribution platforms; however the commercial arrangement should be left for the market forces.
- Provided the technical & security features across all addressable systems are standardized, TRAI may look into fixing rates to avoid any discrimination among different addressable systems. However, such fixation of rates must be done bearing in mind the channel's treatment by an addressable platform e.g. channel placement on

the platform, packaging, price at which the channel is made available to the subscribers amongst other terms.

- Most importantly, if TRAI ventures into fixation of pricing for addressable platforms, the genre, content, cost of acquisition should be considered. Also, the investment and technology used by the Broadcaster should also be considered.

6.2.3 What should be the minimum specifications/ conditions that any TV channel distribution system must satisfy to be able to get signals on terms at par with other addressable platforms? Are the specifications indicated in the Annexure adequate in this regard?

- These specifications seem adequate, however, they may be updated from time to time depending on the change in technology.

6.2.4 What should be the methodology to ensure and verify that any distribution network seeking to get signals on terms at par with other addressable platforms satisfies the minimum specified conditions for addressable systems?

- Initially, verification for obtaining the signals at par with other addressable systems should be based on pre-certification from an approved agency as may be specified by TRAI. Thereafter, the QoS auditor appointed by TRAI can come up with the methodology and certify the eligibility of the distribution network/ service provider for getting the signals.

6.2.5 What should be the treatment of hybrid cable networks in non-CAS areas which provide both types of service, i.e., analogue (without encryption) and digital (with encryption) services?

- In a hybrid environment, broadcasters should provide signals @ a rate which is at par with other addressable systems but only for those subscribers who are receiving the service through STBs in an encrypted mode. However, since there is massive under-declaration by the MSOs/ Cable Operators such provision of signals (for addressable homes) should not affect the Non-CAS deal between the Hybrid operator and the broadcaster i.e. the subscriber base of the MSO/ CO should not be altered until and unless there is substantial penetration by way of STBs.

6.2.6 Whether there is a need to define “Commercial Subscribers”, and what should be that definition?

- Definitely yes.
- All non – residential subscribers should constitute as commercial subscribers.
- As has been the case, TRAI has not got into pricing of channels for certain commercial establishments which have been notified, however, the criteria needs to be relooked and it is recommended that in addition there should not be any pricing control over commercial establishments where
 - public viewing of more than 10 people is possible;
 - any commercial establishment has more than 10 rooms for guests

6.2.7 Whether the Broadcasters may be mandated to publish RIOs for all addressable platforms for Commercial Subscribers as distinct from broadcasters' RIOs for non-Commercial Subscribers?

- Yes. The rates being charged by broadcasters for commercial subscribers should be published .

6.2.8 Whether the regulation should mandate publishing of Reference Interconnect Agreements (RIAs) for addressable systems instead of Reference Interconnect Offers (RIOs)?

- No, because of the confidentiality of the terms and conditions of the agreement. In any event broadcasters are required to submit/file information regarding interconnection agreements with TRAI on a regular basis.

6.2.9 Whether the time period of 45 days prescribed for signing of Interconnection Agreements should be reduced if RIOs are replaced by RIAs as suggested above?

- No comments.

6.2.10 Whether the regulation should specifically prohibit the broadcasters from imposing any kind of restrictions on packaging of channels on an addressable platform?

- The broadcaster's right to impose any kind of packaging obligations on an addressable platform should remain linked to the commercial deal negotiated between the parties.

- TRAI is the regulator for the cable and broadcasting sector and hence it should also look after the interest(s) of the broadcaster.
- If broadcasters have no say in packaging, it would be severely detrimental to their interest especially since the broadcasters invest hugely for acquiring content
- Also, it should always be borne in mind that broadcasters are the owners of content and it only logical that they control how their channel reaches the subscriber and hence they should have the right to packaging.

6.2.11 Whether the regulation should specifically prohibit the broadcasters from imposing any kind of restrictions on pricing of channels on an addressable platform?

- Since there is no restriction on addressable platforms for placement, packaging, pricing of bouquets/ packs, pricing at the consumer level, value added services therefore, restrictions ought not be imposed and platforms should be given a free hand in fixing its prices.
- Also, there is severe competition on the ground amongst platforms hence market forces should determine the pricing of channels by the platforms and the broadcasters should not be allowed to impose any restrictions on pricing of channels.

6.3 Interconnection for non-addressable platforms

6.3.1 Whether the terms & conditions and details to be specifically included in the RIO for non-addressable systems should be specified by the Regulation as has been done for DTH?

- Yes, the same method should be adopted in order to bring in an uniformity across all platforms and to avoid confrontation among broadcasters and distributors of TV channels.

6.3.2 What terms & conditions and details should be specified for inclusion in the RIO for non-addressable systems?

- Details of a-la-carte rates of channels should be specified
- Details of bouquets and their rates should be specified
- Details of discounts to be specified as well
- Payment terms
- Technical, Security and anti-piracy requirements
- True and accurate MIS of subscriber on monthly basis
- Term and termination of agreement

6.4 General Interconnection Issues

6.4.1 Whether it should be made mandatory that before a service provider becomes eligible to enjoy the benefits/ protections accorded under interconnect regulations, he must first establish that he fulfills all the requirements under quality of service regulations as applicable?

- Yes, in the interest of broadcasters, consumers and service providers, it should be made mandatory for the service providers to follow and comply the quality of service regulations to be eligible for enjoying the benefits/ protections accorded under interconnect regulations.

6.4.2 Whether applicability of clause 3.2 of the Interconnect Regulation should be restricted so that a distributor of TV channels is barred from seeking signals in terms of clause 3.2 of the Interconnect Regulation from a broadcaster for those channels in respect of which carriage fee is being demanded by the distributor of TV channels from the broadcaster?

- Yes, clause 3.2 should be restricted and TRAI should regulate carriage fees and make it mandatory for distributors of TV channels to carry the signals of every broadcaster who approach them, on proportionate basis, this is where capacity of a MSO to carry channels is limited.

6.4.3 Whether there is a need to regulate certain features of carriage fee, such as stability, transparency, predictability and periodicity, as well as the relationship between TAM/TRP ratings and carriage fee.

- Yes, it is not only important but has also become imperative to regulate carriage fees.

6.4.4 If so, then what should the manner of such regulation be.

- The Government should push CAS (conditional access system) to expedite the digitization process. In turn it may lead to a rationalization in carriage fees since enough bandwidth would then be available through compression. It must be mentioned that only a small percentage of digital cable is now available amongst the entire market of cable and satellite homes and that figure is going to increase.

6.4.5 Whether the standard interconnect agreement between broadcasters and MSOs should be amended to enable the MSOs, which have been duly approved by the Government for providing services in CAS areas, to utilize the infrastructure of a HITS operator for carriage of signals to the MSO's affiliate cable operators in CAS areas?

- Yes

6.4.6 Whether the standard interconnect agreement between broadcasters and HITS operators need to be prescribed by the Authority, and whether these should be broadly the same as prescribed between broadcasters and MSOs in CAS notified areas?

- Yes

6.4.7 What further regulatory measures need to be taken to ensure that DTH operators are able to provide six month protection for subscribers as provided by Sub clause (1) of Clause 9 of the Direct to Home Broadcasting Services (Standards of Quality of Service and Redressal of Grievances) Regulations, 2007?

- DTH operators should make public, the information relating to the validity of their subscription agreements with various broadcasters so as to enable the subscriber to be aware of the correct position.
- Also, the DTH Operator should renew its contract with the broadcasters 6 months prior to the expiry of its existing contract.

6.4.8 Towards this objective, should it be made mandatory for broadcasters to continue to provide signals to DTH operators for a period of six months after the date of expiry of interconnection agreement to enable the DTH operators to discharge their obligation?

- No. The six month window as suggested above is enough for the parties to renew the agreement on such terms as are agreed between the parties, or else, since a DTH operator keeps connecting fresh subscribers on a daily basis the broadcaster will never be able to deactivate the operator.

6.4.9 Is there any other regulatory measure which will achieve the same objective?

- No comments

6.5 Registration of Interconnection Agreements

6.5.1 Whether it should be made mandatory for all interconnect agreements to be reduced to writing?

- Yes, as the absence of a written agreement often leads to disputes and litigation and there is no way of recording the oral agreements in the Register of Interconnect Agreements and is difficult to prove the enforceability of the agreement.

6.5.2 Whether it should be made mandatory for the Broadcasters/MSOs to provide signals to any distributor of TV channels only after duly executing a written interconnection agreement?

- Yes

6.5.3 Whether no regulatory protection should be made available to distributors of TV channels who have not executed Interconnect Agreements in writing?

- Yes, defaulting and reluctant operators should not be given any protection whatsoever since it often results in abuse of the regulations passed by TRAI.

6.5.4 How can it be ensured that a copy of signed interconnection agreement is given to the distributor of TV channels?

- Two sets off standard pre printed agreements (based on the negotiations reached with the distributor of TV channels) should be executed simultaneously, one of which should be retained by the operator and acknowledgment to that effect should be given to the broadcaster.

6.5.5 Whether it should be the responsibility of the Broadcaster to hand over a copy of signed Interconnect Agreement to MSO or LCO

as the case may be, and obtain an acknowledgement in this regard? Whether similar responsibility should also be cast on MSOs when they are executing interconnection agreements with their affiliate LCOs?

- Yes

6.5.6 Whether the broadcasters should be required to furnish a certificate to the effect that a signed copy of the interconnect agreement has been handed over to all the distributors of television channels and an acknowledgement has been received from them in this regard while filing the details of interconnect agreements in compliance with the Regulation?

- Should this be mandated, the broadcasters should have no problem certifying to this effect.

6.5.7 Whether the periodicity of filing of Interconnect agreements be revised?

- Yes, quarterly submission is cumbersome & time consuming. This should be made six monthly.

6.5.8 What should be the due date for filing of information in case the periodicity is revised?

- By 15th February and by 15th July since many renewals fall in the months of January and June.

6.5.9 What should be a reasonable notice period to be given to the Broadcaster/ DTH operator as the case may be, by the Authority while asking for any specific interconnect agreements, signed subsequent to periodic filing of details of interconnect agreements?

- One month notice should be sufficient to the Broadcaster/ DTH operator.

6.5.10 What should be the retention period of filings made in compliance of the Regulation?

- The retention period of filings should be three years.

6.5.11 Whether the broadcasters and DTH operators should be required to file the data in scanned form in CDs/ DVDs?

- No. since the data is critical and confidential in nature, the chances of it being misused/ circulated through electronic media are higher than physical hard copies hence manual filing is a better way of ensuring confidentiality.
- The confidentiality of the agreement should be maintained by TRAI. Competing platforms and broadcasters should not be privy to the key commercial terms of the agreements filed by each other. TRAI should create a mechanism to ensure the above.

6.5.12 Whether the interconnection filings should be placed in public domain?

- No. Public has no right to be a part of an agreement which is of private and confidential nature, especially since the government is not a party.

6.5.13 Is there any other way of effectively implementing non-discrimination clause in Interconnect Regulation while retaining the confidentiality of interconnection filings?

- TRAI may find means to make implementation of non-discriminatory clause more effective. The confidentiality of interconnection filings should always be maintained.