RESPONSE BY SITI NEWTWORKS LIMITED

With reference to

Consultation Paper on Interoperability of Set Top Box

At the outset we congratulate and are thankful to the Authority for its continuous indulgence in the issues pertaining to the growth of the broadcasting sector in the country.

With respect to the present consultation paper on issues related to Interconnection Regulation, 2017, our response is as below;

Q1. In view of the implications of non-interoperability, is it desirable to have interoperability of STBs? Please provide reasoning for your comment.

Response :   The issue of Interoperability of STBs has to be understood and worked out with a comprehensive approach. There are other technical and policy issues as well which are related to this subject. However, as a matter of principal it is desirable to have interoperability of STBs from a waste perspective. However, in order to make it interoperable, it should support multiple CAS. As a matter of fact the present cost of STBs have come down to around Rs.700/- which is at affordable levels and keeping the life cycle of STBs in mind, spending high cost on STBs will be an issue. Apart from CAS, every DPO has its own services and the STBs are customized according to the requirements to support their services, in such a scenario, technical feasibility to support various middleware as well can be an issue which needs to be addressed.

Q2. Looking at the similar structure of STB in cable and DTH segment, with difference only in the channel modulation and frequency range, would it be desirable to have universal interoperability i.e. same STB to be usable on both DTH or Cable platform? Or should there be a policy/ regulation to implement interoperability only within a platform, i.e. within the DTH network and within the Cable TV segment? Please provide your comment with detailed justifications.

Response :   To make it operable between cable and DTH segment there would be some additional cost involved and the affordability would be a concern. It is better to mandate TV manufacturers to provide in built provision for multiple CAS and tuners for Satellite and Cable instead of providing additional STB.

Q3. Should interoperable STBs be made available through open market only to exploit benefits of commoditization of the device? Please elaborate.

Response :   Yes. In case the STBs are made interoperable, it should be made available through open market and providers may also be allowed to offer the same as the price of STBs would be governed by the open market forces.

Q4. Do you think that introducing STB interoperability is absolutely necessary with a view to reduce environmental impact caused by e-waste generated by non-interoperability of STBs?

Response :   Yes. From the environmental perspective it is desirable to have interoperable STBs to control and minimize the waste. Across the world the same is done via CAM modules which increases cost but serves the purpose.

Q5. Is non-interoperability of STBs proving to be a hindrance in perfect competition in distribution of broadcasting services? Give your comments with justification.

Response :   No. The price trend of set top boxes does not support this statement. In fact most operators are providing STBs on the subsidized rates. Actually STB is a tool for the operator to sell services and upsell more services. In case the STBs is procured by the customer from the open market, in that case the operator may not be able to attend the complaints relating to the STBs and there would be involvement of another service provider in resolving the complaints related to STBs. In such a case the complaint resolution can not be regulated by the TRAI and will not be an obligation of the operator. The operator may close the complaint by mentioning STB fault. This may result in more complaints from the subscribers.

Q6. How interoperability of STBs can be implemented in Indian markets in view of the discussion in Chapter III? Are there any software based solution(s) that can enable interoperability without compromising content security? If yes, please provide details.

Response : Commercial interoperability is already in place wherein the service providers are obligated to provide boxes on rental scheme. The same should be monitored for effective implementation.

Q7. Please comment on the timelines for the development of eco-system to deploy interoperable STBs for your recommended/ suggested solution.

Response : Any such provision should be initially as an option and substantially validated for mandatory in the new subscribers only. Replacement/upgradation of existing inventory would attract an additional cost for the operators hence should not be applied on the existing inventory till a cut off date.

Q8. Do you agree that software-based solutions to provide interoperability of STBs would be more efficient, reduce cost of STB, adaptable and easy to implement than the hardware-based solutions? If so, do you agree ETSI GS ECI 001 (01-06) standards can be adopted as an option for STB interoperability? Give your comments with reasons and justifications.

Response : Yes. Though software based solution would be easier to implement however security features of such software would be of vital importance. It should be further noted that as OTT services gain momentum, business will move from hardware to device agnostic technologies of broadband. Hence, interoperability of STB may not be needed in future.

Q9. Given that most of the STB interoperability solutions become feasible through a common agency defined as Trusted Authority, please suggest the structure of the Trusted Authority. Should the trusted authority be an Industry led body or a statutory agency to carry out the mandate? Provide detailed comments/ suggestion on the certification procedure?

Response : Trusted Authority can be a statutory agency like BIS and TRAI. This would be a reliable and un-biased body to lead the industry towards interoperability as any other solution/structure would be difficult to evolve.

Q10. What precaution should be taken at planning stage to smoothly adopt solution for interoperability of STBs in Indian market? Do you envisage a need for trial run/pilot deployment? If so, kindly provide detailed comments.

Response : Any new technology or solution should be tested first for proof of concept model in a limited area to see the viability and adoptability.

Q11. Interoperability is expected to commoditize STBs. Do you agree that introducing white label STB will create more competitions and enhance service offerings from operator? As such, in your opinion what cost reductions do you foresee by implementation of interoperability of STBs?

Response : Ideally such solutions should have been tried before implementation of DAS, since, now all the consumers have already chosen a service provider and an STB. Any change would be effective only in the replacement market which will not be of size and scale to bring any benefit of volume which normally governs the price.

Q.12 Is there any way by which interoperability of set-top box can be implemented for existing set top boxes also? Give your suggestions with justification including technical and commercial methodology?

Response : NO

Q13. Any other issues which you may like to raise related to interoperability of STBs.

Response : It is submitted that it is not necessarily the CAS, but it is middleware and other hardware features, business models etc which differs from operator to

operator.and hence the solutions has to be worked out as a comprehensive solution for all the stakeholders including the consumers.