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Consultation Paper on Infrastructure sharing in Broadcasting TV distribution sector

In response to TRAI's consultation Paper on 'Infrastructure sharing in Broadcasting TV distribution sector', dated 21st September, 2016, our comments are stated herein under.

You may kindly note that below comments are without prejudice to our rights and contentions, including in any ongoing or future litigations and we reserve our rights to modify, change and submission of further comments or counter comments to clarify our position on the issues under this consultation paper.

Infrastructure sharing among Cable TV and HITS operators

(1) Is there a need to enable infrastructure sharing among MSOs and HITS operators, or among MSOs? It is important to note that no mandate for such infrastructure sharing is being proposed.

Answer 1: We do not recommend infrastructure sharing in the TV distribution sector. TRAI must address the following issues if infrastructure sharing in Broadcasting TV distribution sector is implemented:

Operational Issues:

- i. The implementation of infrastructure sharing broadcasting TV distribution space as proposed shall result in monopolistic or oligopolistic situation at network operator level. The large service providers may like to hold on to the network that they have built and may not offer their network to other small players or new players wishing to enter the market.
- ii. TRAI should consider the effect of such centralization of infrastructure on the need and ability of broadcasters to turn off their signals delivered to DPOs (subscriber management) in the case of pay channels to individual DPOs.
- iii. TRAI needs to consider if the move to implement infrastructures sharing and separation of network and service provider functions in TV distribution sector could stifle innovation and competition in television signal distribution product manufacturing. It must be considered that the proposed centralization of distribution network will stifle competition by limiting the ability and reducing the incentive for content provider, to explore newer products and technologies.

Commercial Issues:

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i. The commercial agreements between the network operator and service providers may pose challenges as all service providers may not agree on a common service terms of carrying certain TV channels & payments thereof. There are chances of bias & favors in commercial agreements due to monopoly in network ownership.

Regulatory Issues:

i. Suitable amendments are required in DTH/HITS/MSO guidelines for change in status of the service provider and relationship with network operator. Clarity is needed in terms of whether the service provider can be a network operator or both needs to be separate legal entities.

Technical issues:

i. TRAI needs to consider the effect of such centralization of infrastructure on the need and ability of broadcasters to turn off their signals delivered to DPOs (subscriber management) in the case of pay channels to individual DPOs.

ii. We also believe that while simulcrypt is a viable solution, TRAI may need to recognize that concentrating compression and/or encryption at one point instead of the hands of each individual broadcaster may reduce broadcasters' ability to adopt newer encryption and compression technologies. Any broadcaster wishing to take advantage of newer technologies may find themselves limited by the HITS or network operator's ability of willingness to make system changes. The potential effect of such centralization needs to be analyzed and addressed.

iii. We suggest that TRAI may also acknowledge the following while developing a policy and regulatory framework for enabling infrastructure sharing in broadcasting TV distribution.

a. An emerging crucial trend is specific, local, targeted advertising, steps should be taken to address operational, commercial, technical and regulatory issues in this regard, at the time of developing policy and regulatory framework for enabling infrastructure sharing in the broadcasting TV distribution space.

b. Many broadcasters have tied up with third parties for technology solutions and infrastructure to display geographically targeted advertisements.

c. The technical parameters of how simulcrypt will work with such "local advertisement insertion" workflows may need to be worked out. These "local advertisement insertion" workflows work with a limited number of STBs/IRDs and will require STB manufacturers and advertisement workflow companies to rejig their product lines.

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d. If TRAI implements infrastructure sharing in in Broadcasting TV distribution sector, the process of watermarking every channel for ratings reporting should be simplified for content providers. The network operator could offer this as a service in collaboration with BARC or other agencies and remove this burden from the hands of the content provider.

We appreciate that the consultation paper in its current form is focused to a great extent on the scarce resource of satellite bandwidth but we feel that a broader picture may be required to be looked at to examine potential results. We therefore do not recommend infrastructure sharing unless the above issues are taken care of.

(2) Which model is preferred for sharing of infrastructure among MSOs and HITS operators, or among MSOs? Kindly elucidate with justification.

Answer 2: Refer to Answer 1.

Infrastructure sharing among DTH operators

(3) Is there a need to enable infrastructure sharing among DTH operators? Relevant issues in sharing of infrastructure

Answer 3: We have listed the issues which need to be addressed before implementation of infrastructure sharing as a policy under answer 1 and accordingly, a suitable model which addresses the concerns of creation of monopoly in favor of one service provider, stifling of innovation and competition in television signal distribution product manufacturing etc. may be considered.

(4) What specific amendments are required in the cable TV Act and the Rules made there under to enable sharing of infrastructure among MSOs themselves? Kindly elucidate with justification.

Answer 4: Refer to Answer 3 and 1

(5) What specific amendments are required in the MSO registration conditions and HITS licensing guidelines in order to enable sharing of infrastructure among MSOs and HITS operators? Kindly elucidate with justification.

Answer 5: Refer to Answer 3 and 1

(6) What specific amendments are required in the guidelines for obtaining license for providing DTH broadcasting service to enable sharing of infrastructure among DTH operators? Kindly elucidate with justification.

Answer 6: Refer to Answer 3 and 1

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(7) Do you envisage any requirement for amendment in the policy framework for satellite communication in India to enable sharing of infrastructure among MSOs and HITS operators, and among DTH operators? If yes, then what specific amendments would be required? Kindly elucidate with justification.

Answer 7: Refer to Answer 1 and 3

(8) Do you envisage any requirement for amendments in the NOCC guidelines and WPC license conditions relating to satellite communications to enable sharing of infrastructure among MSOs and HITS operators, and among DTH operators? If yes, then what specific amendments would be required? Kindly elucidate with justification.

Answer 8: Refer to Answer 1 and 3

(9) Do you envisage any requirement for amendments in any other policy guidelines to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

Answer 9: Refer to Answer 1 and 3

(10) What mechanisms could be put in place for disconnection of signals of TV channels of defaulting operator without affecting the operations of the other associated operators with that network after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate.

Answer 10: We foresee many un-addressable issues with regard to disconnection of signals of TV channels by the broadcaster and we hereby request TRAI that in case infrastructure sharing is implemented an effective framework should be developed to ensure that equity is maintained.

(11) Is there any requirement for tripartite agreement to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

Answer 11: No comments

(12) What techniques could be put in place for identification of pirates after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate.

Answer 12: We foresee many un-addressable issues in this regard.

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(13) Is there any need for further strengthening of anti-piracy measures already in place to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

Answer 13: Yes, we foresee that many un-addressable issues.

(14) Is there a requirement to ensure geographically targeted advertisements in the distribution networks? If yes, then what could be the possible methods for enabling geographically targeted advertisements in shared infrastructure set up?

Answer 14: Yes, there is a requirement of geographically targeted advertisements. Steps should be taken to address operational, commercial, technical and regulatory issues in this regard, at the time of developing policy and regulatory framework for enabling infrastructure sharing in the broadcasting TV distribution space.

(15) Whether it is possible for the network operator to run the scrolls and logo on the specific STBs population on request of either the broadcaster or the service delivery operator after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? If yes, kindly elucidate the techniques.

Answer 15: Yes, it is possible for the network operator to run the scrolls and logo on the specific STBs population on request of broadcaster. The network operator should be required to ensure that the infrastructure for scrolls is developed such that channel specific scrolls are possible to be run. A common scroll infrastructure that forces a scroll or other graphic element across all channels will not be desirable and practical from the perspective of consumer.

If TRAI implements infrastructure sharing in in Broadcasting TV distribution sector, the process of watermarking every channel for ratings reporting should be simplified for content providers. The network operator could offer this as a service in collaboration with BARC or other agencies and remove this burden from the hands of the content provider.

(16) Whether implementation of infrastructure sharing affects the differentiation and personalization of the TV broadcasting services and EPG? If yes, then how those constraints can be addressed? Kindly elucidate with justification.

Answer 16: We foresee many un-addressable issues in this regard.

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(17) Whether, in your opinion, satellite capacity is a limiting factor for sharing of infrastructure? If yes, then what could be the solutions to address the issue?

Answer 17: No comments

Sharing of CAS and SMS

(18) Is there a need to permit sharing of SMS and CAS?

Answer 18: No comments

(19) If yes, then what additional measures need to taken to ensure that SMS data remain accessible to the tax assessment authorities and Authorized officers as defined in the Cable TV Act for the purpose of monitoring the compliance with relevant the Rules and the Regulations?

Answer 19: Yes, an error proof system with well-defined accountability should be developed.

(20) Whether sharing of CAS can in any way compromise the requirement of encryption as envisaged in the Cable TV Act and The rules and the regulations.

Answer 20: No comments

(21) In addition to the issues mentioned above, comments of stakeholders is also invited on any other issue relevant to the present consultation paper.

Answer 21: No comments