



NEWS RELEASE

SOUTH COAST COMMUNITY TELEVISION: FACT FILE

Southcoast Community Television (SCTV) is based in Carrigaline, Co Cork. The company is non-profit making, and is made up of its members. Members are those who pay an annual subscription to receive its signals, currently £50 per annum, less than £1 a week. The organisation was set up and began rebroadcasting British channels in 1985.

■ SCTV rebroadcasts four British TV channels, BBC1, BBC2, ITV (HTV), and S4C in the UHF band, in which it has a licence until December 31, 2003. It has about 25 transmitters and covers two-thirds of Co Cork together with parts of west Co Waterford and Kerry.

■ SCTV planned to begin digital TV transmission this Christmas, beaming a minimum of 20 TV channels and 18 stereo radio channels to members/subscribers.

■ This minimum service, which also includes a high speed internet connection using a small PC interface, will cost only €15 per month (£11.99). Cable and MMDS providers' basic packages start at 50% more, and are double this in some areas.

Premium services similar to those available from cable and satellite suppliers will also be available.

■ SCTV has over 12,000 household members. Its catchment area includes upwards of 70,000 households in counties Cork, Kerry, and Waterford. Because the service is free to air and subscriptions are voluntary, 11,000 more households receive it free. Market research shows many of these, plus many who do not receive, would sign up for the paid digital service.

■ SCTV's market penetration is second only to RTE's in the area served, despite multi-channel competition from MMDS operator Chorus since 1989.

■ SCTV plans to use a revolutionary French system, developed by a company called MDS International, which essentially has adapted digital satellite broadcast technology for terrestrial use, using the same segment of the waveband, 11.7 to 12.5 gigahertz. MDS calls its system HYPERCABLE.

A key implication of this is that no interference with existing satellite signals would occur.

■ The capital cost of this technology is relatively low compared to cable or MMDS. This would open up the business of digital service provision to greater competition, as the technology can be easily replicated nationally.

■ The technology will allow the dream of true community TV to be realised. Southcoast has plans to broadcast its own local channel, with material created by such organisations as sports clubs, educational and training bodies, cultural, business, religious, farming, and community groups, voluntary groups and NGOs, as well as local news and entertainment.

SCTV's own studios and technical backup facilities are already in place. They will be made available to help community contributors make their programmes.

SCTV will also cooperate with schools and colleges, especially those offering radio and TV courses, for students to use its facilities and broadcast to the community.

■ SCTV's set-top box and antenna will cost £85 including installation. It will be available on the open market as well as from SCTV, unlike satellite systems, so if subscribers find it at a discount they are free to save that amount.

SOUTH COAST'S LICENCE APPLICATION: FACT FILE

SCTV applied for its digital terrestrial TV (DTT) licence in November 2000, and receipt was acknowledged. Two successful test periods under licence from the ODTR had convinced the organisation that MDS International's HYPERCABLE system, broadcasting in the 11.7-12.5Ghz band, could bring multi-channel digital TV and radio, plus internet and data links, to its local market at affordable rates.

■ SCTV stressed the need for competition among service providers to bring choice and cost savings to TV consumers. It pointed out that DTT in this band could facilitate local and regional broadcast, that the system was easily replicable and had relatively low capital costs, and thus offered the potential to bring real competition to the sector, in contrast to the geographic monopolies now operating.

■ SCTV underlined the urgency of a timely reply to its application, given the timetable already set down for transition to digital by the ODTR and

the need to begin work in order to provide continuity of service between analogue and digital in the given timeframe.

■ Six months later, in May 2001 the ODTR told Southcoast that a consultation process would be necessary, which it hoped would begin at the end of June.

■ In August 2001, eight months after the licence application, Southcoast's solicitors wrote to the ODTR giving notice of legal proceedings. In September, the ODTR issued its discussion document, dated August 31, and set October 12 as final date for submissions.

■ On August 20, a couple of weeks before this document appeared, the Icelandic regulatory authority issued a DTT licence to Icelandmiddel, a TV service provider proposing to use the MDS HYPERCABLE system in the 12.5Ghz band — exactly the same as Southcoast.

THE REGULATOR'S FEARS AND THE TECHNOLOGY PROPOSED

In her discussion document, the regulator raises the question of whether the 12.5Ghz band is suitable for DTT broadcast and for local/regional services. There were two inter-related aspects to this.

■ The first question is: Would DTT broadcasting in the 12.5Ghz band interfere with reception of satellite signals?

■ The second is: Should Ireland implement a decision by the European Radiocommunications Committee (ERC) which reserves the 12.5Ghz band to fixed and satellite broadcasting?

While ITU regulations allocate the band to fixed, broadcasting, and broadcasting-satellite services, the discussion document states: "The ERC Decision proposes that the band be used for satellite reception. There would therefore be potential for interference from a terrestrial transmitter to satellite receivers operating in the same section of the band." (Our emphasis)

■ First question: SCTV's tests show no interference with satellite reception. SCTV's experts, Professor Ray Hills and Dr Eddie O'Gorman, are categorical on this point. And the US Federal Communications Commission, after extensive testing, recently concluded that the provision of DTT by MDS America, same as proposed by Southcoast, does not interfere with satellite broadcasting in the 12.5Ghz band.

In its First Report and Order, the FCC states: "A new terrestrial fixed multi-channel video distribution and data service can operate in the 12.2-12.7Ghz band on a non-harmful interference basis with incumbent broadcasting satellite services (BPS) and a co-primary basis with non-geostationary fixed satellite service (BSS) providers." It continues that MDS "could be used to deliver a wide array of video programming, including local television and data services, in both urban and rural areas".

Other independent tests, carried out last July by consultants LCC International, support the FCC's conclusions and indicate no interference takes place.

■ Second question: Iceland is a signatory to the ERC and has ratified the ERC Decision which seems to worry the Regulator. Yet Iceland has become the first country in Europe to issue a licence for DTT using the MDS system. Clearly, implementing the decision is no barrier to issuing a licence; and, conversely, if the ODTR issues a licence to SCTV, this will not preclude Ireland from ratifying and implementing the decision.

However, there is no need to implement it, and Ireland could follow Denmark's lead and decide not to implement it: all we are obliged to do is observe ITU rules, which do allocate this band to DTT among other uses.

■ To implement the ERC decision and interpret it to mean that it could not be used for DTT, only for satellite, would be to hand a monopoly over this waveband to BSkyB, which the ODTR acknowledges is an external, unregulated provider. And there's not likely to be an Irish satellite to compete with Sky, which now has over 140,000 subscribers here yet does not carry two of the main UK channels which Irish providers are obliged to offer.