

NETWORK INSIGHT

DIGITAL ACTION PLAN

SESSION 1

14 March 2007

IMW Media Services

WHAT IS THE DAP

- **A plan to ensure TV homes can still watch the current main analog channel of ABC and SBS and 7, 9 and 10 and their regional affiliates when analog free to air terrestrial transmissions cease**
- **A big process**
 - **7.8 million TV homes**
 - **26 million working analog tuner TV devices**
 - **600 transmission sites & >2,000 transmitters**

THE MAJOR DAP STAKEHOLDERS

- **Commonwealth Government sets policy framework such as the kind of services allowed**
- **ACMA plans the frequencies, issues licences, etc**
- **Broadcasters rollout transmitters and transmit services**
- **CE suppliers provide equipment they hope will sell**
- **Retailers stock CE equipment they hope will sell**
- **Installers provide in-home technical advice and services**
- **Viewer homes purchase goods and services**

WHAT DOES THE DAP CONTAIN

- **Commonwealth sets up DA and its Industry Advisory Group; sets final timetable for switch off; provides \$22 million etc**
- **ACMA reports on technical impediments to switch off; monitors and reports digital uptake; sets up labelling scheme and a digital tick**
- **DCITA looks further into how a Test and Conformance Centre might be structured**
- **DA in consultation with wider industry coordinates consumer advice and promotion campaigns**
- **How does this structure compare with introduction of satellite broadcasting in 1984/85**

UK STRUCTURE

- DTG involved in standards, conformance testing, system testing suites. Technology and platform agnostic
- Ofcom – spectrum planning, licence provision and general regulation. Technology and platform agnostic
- Government Depts – DTI and DCMS policy setting and control and checking of digital tick. Technology and platform agnostic
- Freeview promotes and explains what's on the terrestrial digital platform and how to receive it. Technology and platform specific
- DigitalUK coordinates many aspects of consumer advice re analog switch off. Mostly technology and platform agnostic

ONE BIG UK DIFFERENCE

- **BBC 1 & 2 and ITV channels 3 & 4 are on all basic tier cable pay TV (ntl) and basic tier satellite pay TV (BskyB). BskyB and ntl will be a means whereby about 50% of UK TV homes continue to get BBC 1 & 2 and ITV 3 & 4 after switch off**
- **In Australia only Foxtel and Austar (Darwin) cable subscribers and all Optus, TransAct and Neighborhood Cable subscribers are in that position. Probably <700,000 TV homes or 9% of all TV homes**

SOME DAP ISSUES

- **Switch off Timetable** **National, state by state, coverage area by coverage area, test markets**
- **Self Helps** **600 analog transmitters**
- **Community TV** **6 analog transmitters**
- **Digital Blackspots** **How many and where**
- **Subsidy for the disadvantaged**

FREE TO VIEW DIGITAL SALES

DBA	Accum* Sales	% HD*	% IDTV*	Accum Homes	Accum Homes %
Dec 05	1.304m	35	10	1.2m	15.5
Dec 06	2.300m	56	53	2.0m	25.6
ACMA					
Oct 06	3.099m			2.3m	29.6
UK Ofcom					
Dec 05	10.800m			7.9m	31.7
Sep 06	14.000m			9.3m	36.7

***Percentage of total digital receiver sales in previous 3 months that were HD or IDTVs respectively. Of 2.3 m DBA accum sales 36% are HD**

SPECIFIC MARKET ESTIMATES

- **Across all regional Australia**
 - >20% homes have at least one digital receiver**
 - >16% of them have >1 digital receiver**
 - 17% of digital receivers sold are for a secondary device**
 - 1 in 4 homes purchased a new TV set in 2006**
- **In Tassie**
 - >39% homes have at least one digital receiver**
 - >23% of them have >1 digital receiver**
 - 27% of digital receivers sold are for a secondary device**
 - 1 in 5 homes purchased a new TV set in 2006**
- **Across Australia about 3 homes in 10 purchased a new TV set in 2006**

OTHER TV EQUIPMENT ESTIMATES

- **2006**
 - 1.13 million 4:3 TV sets average \$240
 - 1.00 million 16:9 TV sets
 - 0.49 million DVD recorders
 - 0.19 million VCRs
 - in total about 2.8 million with TV tuners
 - about 996,000 free to view digital receivers sold
- **Probably more unconverted analog tuner TV devices at 1 Jan 07 than at 30 Jan 06**
- **UK similar – Qtr 3 2006 1.3 million analog tuner devices sold. 795,000 digital STBs sold to convert them**

A NEED FOR BETTER STATISTICS

- **What proportion of new TV set, DVD recorders and VCRS replace irrevocably broken devices**
- **What proportion of DVD recorders sold have a digital tuner**
- **What proportion of digital STBs have 2 tuners which can convert two analog tuner devices**
- **What proportion of working TV sets and VCRs are never used to receive and display/record analog free to air terrestrial TV services. IE don't need conversion**