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TO
The Chairman,
Telecom Regulatory Authority of India (TRAI),
New Delhi – 110 002.

Sir

Sub: Comments for consultation paper No. 15/2008

I hereby submit my comments for your consultation paper "Interconnection issues relating to Broadcasting and Cable services".

Thanking you.

Yours truly

R.L.Saravanan.

Comments of R.L.Saravanan, Chennai

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?

Clause 13.1 of "The Telecommunication (Broadcasting and Cable Services) Interconnection (Third Amendment) Regulation, 2006" (10 of 2006) mandates to place a copy of RIO in the website of the broadcasters. The fact remains that many of the broadcasters have failed to follow the said regulation and the Authority is not successful in implementing the same. Hence, apart from mandating the publication of RIO in their respective websites, TRAI should also publish the RIO of all broadcasters in its website.

Even though the platforms are different the characteristics of all the addressable system remain the same hence the RIO for all the platforms shall be the same and the broadcasters should be mandated to publish the same in their websites.

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

The Authority shall formulate a template of application for applying for the content to any distributor of TV channels. This would prevent the broadcasters by sending an application for affiliation which requires a

wide data which is irrelevant to decide upon the supply of signals. Further the question of subscriber base doesn't arise in an addressable system. In spite of that, broadcasters are reluctant to offer their signals to the distributor of TV signals. This negative approach of some broadcasters is due to the transparency in the addressable system as to the number of subscribers who has opted for their TV channels would come to light. This would let out the cat of the bag and their real demand in the market would be exposed.

TRAI has given time frame of 60 days for provision of TV signals in a non-addressable system. These 60 days are allowed to the parties in order to reach a subscriber base and to enable the broadcaster to cross check the declared base. However in an addressable system such exercise in not necessary and hence TRAI should reduce the mandatory time frame for processing of any such applications for not more than 10 days.

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?

Since only 4% of the nation's total cable network is been Converted into digital one by the way of mandatory CAS, TRAI should be cautious in laying down the regulations on specifications/conditions. If the proposed regulation on specification/condition is heavy, it may discourage prospective players who intend to introduce voluntary CAS which would slow down the process of digitalization. Further the specifications are proprietary to the manufactures of the equipments and vary from one to other.

If the regulator is going to specify certain specifications, the same would be in favour of those equipment manufacturers. In addition to that the specifications keep changing by the progress of time. Hence instead of laying down the specifications the regulator may give the corner

stones of the features which have to be a part of such equipments.

As far as the fingerprinting is concerned presently finger prints are displayed at any part of the screen. It is an irritating experience of many of the viewers that the stamping of finger print which is made on the middle of the TV screen often disturbs some vital moments, especially when viewing a cricket match it has a more adverse impact. Hence the clause B(2) of the Annexure should be made applicable without fail.

In point No. C(10) of the Annexure which talks about the qualification CA & SMS service providers it aims to filter the vendors on the basis of their present service capability. This would prevent potential new entrants and allow those few existing players to dominate the market. Since this very regulation would not create a level playing field TRAI should avoid such regulation to qualify those vendors based on their past experience.

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?

It is really tough to formulate a methodology to ensure and verify the specifications on the ground for addressable system. Any such attempt to do so through a designated agency would further delay in implementing digitalization in the country due to red tapism. If broadcasters are allowed to verify the same, it would be a chance for them to further delay the provision of signals for addressable systems.

Hence the authority shall lay down the conditions of addressability and leave the market forces such as consumer awareness and the broadcaster's complaints which would regulate the systems.

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 simple terms the present mandatory CAS regime is also a hybrid network where the bundle of signals in basic tier (FTA signals) are transmitted without encryption and the pay channels are given in encrypted form.

As those hybrid networks are with the potential to encrypt the signals those networks should be brought under voluntary-CAS which in turn should be at par with mandated CAS networks. The hybrid networks should be mandated to transmit all pay channels in encrypted form only.

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

Yes the regulation should mandate publishing of Reference Interconnect Agreements (RIAs) instead of RIOs.

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?

Yes the prescribed time period should be brought to 10 days for signing RIA.

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?

Packing of channels would blast the very characteristics of addressable platform; hence the regulation should mandate the provision of channels in *ala carte* and never in packages.

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?

Yes the proposed regulation should prohibit the broadcasters from imposing restrictions on pricing on addressable platform.

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.

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

1. No RIO permits the MSO or any other distributor of the TV Channels to re assign its rights to the successor of the business. In the present situation where acquisition and mergers are very common the said prohibition creates hurdles in such smooth transfers and gives room to the broadcaster to further squeeze for more subscriber base on such mergers. Hence the rights should automatically get transferred to the successor of the said business.

2.Some RIOs specifically demand to place their TV channels in the prime band and any other frequency as dictated by them. Further in the same agreement there is a threat of disconnection if the MSO fails to transmit the same in the said frequency. As far as distribution is concerned it should be left in the hands of the distributor to decide the frequency based on the local demand for the respective channels. Hence the RIO should not impose the placement obligations on the MSO.

3. The RIOs specify the mode of transmission as analog one. When the MSO, out of his own efforts wanted to digitalise the network (voluntary CAS), he is prevented by the broadcasters to migrate the head end from analog to digital due to the above clause. Further he is asked to apply afresh for digital mode of transmission (some of the broadcasters never wanted to promote digitalization) and seldom reach an agreement on addressable platform. Hence the RIO should specifically allow the distributor for a seamless mutation from analog to digital one.

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?

Such arrangement would really take the quality of the networks a step forward, however it emphasises the service providers who seek for signals and not the existing networks. Before enacting such regulation the authority should ensure that the existing networks are fulfilling the QOS regulations. In addition to that there should be a technically competent certifying agency which would certify the QOS standards of the networks.

While doing so caution should be taken that the broadcasters doesn't use to situation to further delay the supply of signals and extend the mandatory time of 60 days.

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?

Many times carriage fee goes as an invisible deal and thus escapes from any records. Carriage fees vary from region to region. The modality of carriage fees is initiated by broadcasters to have a better reach.

The authority instead of taking serious steps in accelerating digitalization of the networks in the country, spending its valuable resources in regulating the carriage fees is not a commendable effort. As the networks are made more addressable the issue of carriage fees would lose its importance on its own. Hence there should not be any restriction on distributor of TV channels to invoke section 3.2 of Interconnect Regulation.

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.

Carriage fees are based on the region and locality. Carriage fees have not impacted the southern states of the country. These states have a strong vernacular language affiliation and their vernacular channels are not more than 25-40 in number for each state. Hence the distributor can transmit all such channels and the further space is given to sports, English news channels, nationally leading Hindi channels and etc. even in an analog mode of transmission. The issue of carriage fees doesn't exist to a large extent except of those religious channels paying some meager amount as channel fees for distribution of their channels.

In many cases carriage fees is an outcome of the greed of certain channels to win over others. Further the regulation on carriage fees will make the carriage fees as a right and spoil the brook in the areas where carriage fees is not in practice right now (like southern states).

Hence the authority could spend their time in digitalization of networks rather than carriage fee which shall be left to market forces.

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?

The same should not be allowed, HITS operator is allowed to have a pan India distribution. However the modalities of channels are different to some of the mandated CAS notified areas. For instant a big bunch of Tv channels are declared free to air in Chennai CAS area which is benefiting the consumers at large. Hence the mandated CAS regions should be excluded from the purview of HITS platform.

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?

Since the platform of distribution is almost the same expect that of limitation in operational area in CAS notified areas, the standard interconnect agreement between the broadcasters and HITS operators need to specified with the same lines of that of standard Interconnect agreements in CAS notified areas.

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, all interconnect agreements should be reduced to writing.

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?

Only after the broadcasters reach an agreement with the MSOs, they provide them with the IRD boxes, Hence it should be made mandatory for the broadcasters/MSO to provide signals to any distributor of TV channels only after executing written agreements.

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

We can see that the distributor of TV channels are often a vulnerable class when compared to broadcasters. In the said situation by and large the broadcasters take advantage to dictate their own terms. The execution of written agreement is at the discretion of broadcasters and hence the onus of non execution of interconnect agreement shall lie on the broadcasters. Hence no regulatory protection should be made available to the broadcasters who fail to enter into written agreements.

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

This is a perennial problem where the broadcasters get the blank agreements signed and never give back the signed copy. The situation is the same when its comes to MSOs with respect to the LCOs.

In order to ensure that a copy of signed interconnection agreement is given to the distributor of TV signals the authority should mandate that when the agreement is taken to the MSO for getting it signed it should be pre-signed by the authorized signatory of the broadcaster with duly filled details. It would at least allow the MSO to sign his part and take a copy of the same before handing it to the representative of the broadcaster. The same regulation should also be extended to MSOs in respect to LCOs.

"The Register of Interconnect Aggrements (Broadcasting and Cable Services) Regulation 2004". (15 of 2004)
Allows the public to access to the register but restricted to Part-A which is a blank interconnect agreement , Part-B part is kept confidential. An amendment in the said Regulation should be effected so that the MSOs who are the party of such agreements are allowed to get access to the part of the details of in Part-A of the register and be allowed to get a copy of such document in order to have an evidence whenever a litigation arises. There would be no harm for the confidentiality since they themselves are a party to such agreements.

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, It would be an appreciated move. However it should ensure that such acknowledgement in not obtained along with blank agreement form and deemed to be handed over a copy of agreement to the other party.

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?

Yes, the above move would add little more assurance of the right of the MSO in getting a copy of signed agreement. However the authority should get a certificate directly from the MSO to make sure they have received a copy of signed agreement.

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

No, the present periodicity shall continue.

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

Not applicable.

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?

10 days

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

Yes, this would reduce the storage space in the authority.

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

Yes, there cannot be a better transparency than placing the interconnection filings in the public domain, which would stop all the bugs in the interconnection documentation system.

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

The "Must provide" clause of the said interconnect regulation is sufficient.

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