



Cable Europe

Cable Europe comments on MEP Reino Paasilinna draft opinion on universal service, privacy directives and consumer protection cooperation for ITRE to IMCO MUST CARRY AMENDMENTS

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Cable Europe, the European Cable Communications Association, groups all the leading European cable TV operators and their national trade associations throughout Europe.

Since the liberalisation of the European telecommunications sector, cable TV operators have invested billions of euro in building fibre-coax networks reaching more than 100 million homes in Europe. Cable's end-to-end networks deliver +100Mbps internet connection, High Definition TV, and telephony services direct to consumers' homes. As key enabler of digital life, cable operators provide their services independently from incumbent telecommunications operators. Hence, cable brings a new dimension to the e-communications market: large-scale infrastructure based competition.

Cable Europe, by this short note, would like to comment on Mr Reino Paasilinna, MEP, draft opinion on the proposed universal service, privacy directives and consumer protection cooperation, specifically his view on Must Carry obligations.

Cable Europe believes that extending Must Carry obligations to audiovisual media services such as Video on Demand (VoD) services is not necessary to ensure a pluralistic audiovisual media and should by no way be supported.

Extending the scope of application of article 31 USD to non-linear audiovisual media services is premature, if not unnecessary at all. The European VoD market develops but still is in its early stages. In different member states different business models are tested in the market and it has yet to be seen which models will prevail. More importantly, VoD is still predominantly a supplementary market in comparison to the traditional linear broadcasting market. It is more than questionable if this form of delivery will ever replace linear TV reception on a broad scale. What is most likely to happen is a shift of the more or less fixed time budget an individual viewer allocates to watching TV from linear to non-linear services.

Moreover, all TV delivering infrastructures including cable are offering or will offer non-linear VoD services. There will be more and more an abundant offer of VoD services in the market from which the user can choose. Any justification for the imposition must-carry rules in the light of guaranteeing media pluralism is therefore superfluous, as there will be such a variety of offers. Furthermore, it would have a detrimental effect on the development of VoD offerings by TV delivery infrastructures if Internet based VoD services could obtain a must-carry status, as they both compete for the same market.



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Finally, the concept of “complementary services” aimed at the (general) public as a whole is a way too broad in these amendments and should not be supported at all, because an analysis of why possibly such an extension would be necessary is missing. There is no description of any problems which might have arisen in Member States in this regard.

We therefore support the Commission’s proposal to keep the scope of must carry obligations to television broadcast and even further to review periodically all national must carry obligations. However given cable operators suffer from inconsistent and still incomplete implementation of article 31 under the existing framework we fear that this obligation to review will come very late as the whole package will not come into force before 2010/2011. That periodical review every 3 years is too long and should happen more frequently, every 18 months.

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