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Mobile TV: The time to act is now

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

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Good afternoon ladies and gentlemen,

It is a great pleasure for me to be here again in Hannover to speak on the issue of Mobile television, on the occasion of the CeBIT fair.

I am particularly happy to see such a wide interest in this exciting subject and I would like to thank Mr Albert for his warm welcome. Let me say at the outset that I follow closely the efforts made by Germany to boost the take up of mobile television. Today's conference is an important occasion to exchange views and experiences with key actors from the Mobile TV world, but also a good opportunity for the EU Telecom Commissioner to **call for a more coherent and proactive policy on mobile TV in the Internal market.**

Indeed, I am of the opinion that mobile TV is not just another new way to distribute television programmes, is not just "portable TV", but much more a **paradigm shift**. It represents a concrete example of convergence. It will challenge our very way of experiencing television and audiovisual services, offering the possibility of viewing any content, any time, anywhere, but also providing for a new world of interactivity, where traditional and on-demand creative contents consumption is supplemented by services tailored to the needs and tastes of each consumer and by e-commerce.

Today, I would like to share with you some thoughts on progress made in Europe, one year after my call to industry from this very fair. My assessment is that **we are too slow and too uncoordinated to create the right conditions for a quick take-up of mobile TV on a large scale in Europe. One year after my call, I am disappointed with the progress made!**

Over the last year the European Commission has taken action to prepare for a successful take-up of Mobile TV in the EU by:

- 1) bringing industry together and asking to make concrete proposals to ensure interoperability between platforms and between consumer devices,
- 2) initiating the necessary action to allow suitable spectrum to be provided EU-wide for mobile TV services in the short and longer term,
- 3) fostering a debate with national authorities on regulatory models and best practice and, last but not least,
- 4) supporting the provision of innovative content.

Mobile TV represents a **tremendous opportunity** in economic terms for both telecom and media industry stakeholders as well as adjacent sectors such as content creators and aggregators, and software providers. It will stimulate the creation of new business models, new skills and additional job prospects in the Information Society.

According to some estimates, some 200 million Europeans could be viewing television via a handheld terminal by 2015 and the market could be worth € 20 billion. Today, however, **mobile TV is still a nascent market in Europe and much more remains to be done.**

While multimedia services over 3G are widely diffused and growing, TV broadcasting to mobile terminals is available only in a few countries, although the combination of broadcasting technologies and 3G is obviously the only way to provide mobile TV services at a large scale. Italy was the first to launch commercial offerings last year. Services are available also in Germany and the UK. This year commercial offerings will be launched in France and Finland.

The potential is there but it is a market still in its infancy, needing clear signals from policy makers on issues such as spectrum, standards, and licenses in order flourish. **As long as so many uncertainties remain, as long as obstacles are not retrieved, as long as perspectives of economies of scale are not given, the offer will not explode.** And I am convinced that the problem here is not the demand but well the offer. I very well know that mobile TV will first develop on national markets and that cross border offers will remain the exception. But this should not mean that the Europe could afford 27 national strategies on mobile TV. We need one clear, coherent EU strategy for all industries involved to invest and create the conditions of a large take-up of mobile TV.

One year ago here at CeBIT I called upon industry to get together, reflect on the key challenges for a successful European Mobile TV and propose a roadmap for Europe. That's how the **European Mobile Broadcasting Council** was set up. The first experience of a convergent industry forum open to all players in the value chain: manufacturers, broadcasters, mobile operators, content providers, and network integrators as well as other stakeholders interested in the introduction of Mobile TV.

The EMBC will present their recommendations today at this Conference. Although these recommendations show some elements of consensus across such a diverse industry environment, **I would have much expected more in terms of proposed solutions and strategic vision.**

STANDARDS & INTEROPERABILITY

I had asked industry in particular to address issues related to technology. The challenge is the following: providing technological solutions that are best suited to ensure the availability of mobile TV anytime and everywhere, including at home, and making technological choices that allow attractive commercial offers.

European industry, supported also by EU-funded research, is largely behind the technologies being used today to launch mobile TV services in the world. I therefore expected from EMBC clear answers on how to best deal with this challenge. I find the recommendations in the EMBC report too consensual. What we really need now is to decide and draft a European strategy for a swift and large take-up of mobile TV in Europe.

I am convinced that **the use of widely recognised open standards is of paramount importance** to achieve economies of scale. Only with economies of scale will we have an efficient use of spectrum, affordable handsets and rapid consumer take-up. Therefore, **I am prepared to give strong support to European standardised solutions, such as DVB-H**, on the condition that they provide certainty about technology licensing terms and conditions. Without this certainty and predictability, it will be impossible to invest with confidence in new innovative technologies. Industry should therefore foster work in this direction.

European industry has developed and exported worldwide successful standards already in the past, as we currently do in South America and Asia to export DVB-T as the best open standard for digital television. I am therefore confident that on the basis of DVB-H, economies of scale will develop for the take-up of Mobile TV in Europe and around the world.

Achieving a maximum of **interoperability** between distribution technologies and mobile TV devices – be it mobile phones, PDA, communication enabled game consoles or other devices - is also of key importance. I am aware that in the case of Mobile TV this is extremely challenging from a technical point of view as it involves working on different layers of interoperability, encompassing both transmission and services. I see the work initiated in the EMBC on this complex task as a first step that now needs to translate into concrete results in order to minimise in advance barriers to interoperability.

SPECTRUM

Another key factor for the success of mobile TV and an area where a lot has been done over the last year is radio spectrum. If we want mobile TV to be the next economic carrier wave of technological, industrial, and consumer services growth, we have to make sure that there are sufficient and suitable frequencies for these services to take-off.

In the short term, we have taken steps, together with the Member States, to ensure that **some harmonised frequencies are made available** to allow mobile TV services to get started. At the same time, I am aware that the final choice on the best suitable bandwidth is linked with the choice of the best adapted technology.

This is why I believe that, in the medium term – meaning in my view as soon as possible! - we will need to draw the conclusions of the debate I have launched last year on the use of the **digital dividend** that will result from the switching-off of analogue TV. I believe that a part of this prime spectrum, which will be freed up in the majority of EU countries by 2012, should be devoted to new innovative wireless services such as mobile TV. Germany, for example, has switched off analogue to a large extent so that spectrum is now available for new services such as Mobile TV. I am pleased to hear that the authorities are about to identify spectrum in the UHF band to be assigned to such services. This example illustrates why I keep insisting on the key strategic importance of national switchover policies. I also believe that we need to explore to which extent the S-Band could become an interesting option for Mobile TV-services.

I will present a European strategy for the use of the dividend in a Communication later this year and I **urge the Member States** to act quickly on this issue as we cannot afford any delays. One thing is clear: without at least some coordination at European level, market fragmentation will prevent a successful take-up of mobile TV in Europe.

REGULATORY ENVIRONMENT

The quick and large take up of mobile TV needs a clear regulatory environment. We **cannot expect European industry to lead the way in developing new mobile services if it is confronted with 27 or more diverging sets of rules**. Licensing regimes must make sense in terms of the Internal Market. I therefore ask Member States to ensure sufficient clarity and flexibility of authorisation rules. In particular, mobile TV operators need certainty about the competent authority, authorisation procedures and license conditions.

As far as the mobile TV infrastructure is concerned, in my view these networks should fall under the existing competition rules and access obligations that apply to the rest of the public networks, i.e. regulation by the competent national regulatory authority for eCommunications.

My services have engaged in a fact finding exercise throughout the year in order to get a clear picture of existing national regulatory regimes. We received replies from 21 countries which show a very patchy situation in terms of regulatory approaches. **In a vast majority of countries mobile TV has not yet been addressed by the regulator. This risks creating a legal vacuum which would be detrimental for growth and jobs in Europe.**

It is clear that the mobile TV infrastructure will be considerably more capital intensive than conventional, and even, digital terrestrial broadcasting. New business models will emerge to amortise these investments. But, I suspect that public opinion will be resistant to extensive duplication of transmission facilities: thus, not just for cost reasons but also for aesthetic and environment and health reasons, infrastructure sharing will be a key feature of mobile TV networks. In addition wholesale broadcast access to these facilities (which could become bottleneck assets) will be needed. If this can occur naturally through market forces I would be very pleased, but if not I give notice that I will consider legal steps to make sure that mobile TV develops efficiently and on a level playing field.

Yesterday, at the **informal meeting of Telecommunication Ministers** I have urged my colleagues in the Member States to **identify and exchange best practice in terms of authorisation regimes**. I have also encouraged them to **remove promptly any regulatory obstacles** that may hinder the deployment of mobile TV in their country. If this is not sufficient to achieve a level playing field, we should reflect together about the minimum level of harmonisation required to ensure the best possible regulatory environment for mobile TV.

CONTENT

Last but not least, mobile TV needs attractive and suitable content to fulfil consumers' expectations. I see a great challenge for European audiovisual content providers who now have to develop new, attractive formats and original contents, for a mobile consumption. Here is where European industry has to give proof of innovation and creativity.

Digital technologies are at the heart of the **MEDIA 2007** programme. Four million € have been allocated this year to finance digital distribution, including content suitable for mobile TV. An innovative scheme for providing content for mobile could be eligible under the MEDIA programme and I expect industry to seize this opportunity. I understand that these aspects will be addressed in the panel session later on in the afternoon.

I am ready to reflect on further ways to support production and distribution of European content for mobile TV consumption, for example the promotion of DVB-H compatible content.

As regards rules applying to mobile TV contents, my proposal for an Audiovisual Media Services Directive will significantly contribute to the creation of a genuine internal market for audiovisual content by securing and extending the benefits of the country of origin principle to all kinds of audiovisual media services.

Moreover, mobile TV services oblige us to reflect on how to modernise copyright rules so that prime content, such as sporting events, can be made widely available on new platforms and across borders.

CONCLUSIONS

I am convinced today more than ever that **we need a common European approach** to set conditions for a rapid and wide deployment of mobile TV. It is now time to act!

I will propose to the Commission a Communication that will address the issues to be tackled to strengthen the Internal Market for mobile TV. This document, based notably on the results of the work over the last year, will take stock and identify best practices to **unlock the potential of Mobile TV and make concrete proposals for a coherent European strategy.**

The opportunities for growth are there. Many new European jobs can be created. Mobile TV is a wonderful example of the opportunities that digital convergence offers. The success of new converging technologies is a challenge requiring **effort, commitment and creativity.** I count on the contribution of each of you in the coming months to create a thriving European market for mobile TV services.

Thank you very much for your attention.