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**How can we create an innovative climate in Europe for mobile television?**

**"Driving Mobile Television" High Level Seminar from the DVB Project**

**Brussels, 20 September 2006**

Good morning ladies and gentlemen,

It is a pleasure for me to address this audience on the occasion of this High level seminar organised by the DVB project.

The title you have chosen for this seminar "**Driving mobile Television**" is a very stimulating one. It summarises, in one simple expression, the main objective of the Commission's action in this field: **putting Europe in the driving seat of digital convergence.**

Also the timing of this event is very well chosen. As many of you know, the Commission has facilitated the establishment of an industry umbrella group, the **European Mobile Broadcasting Council, EMBC**, which held its first plenary meeting in July and will gather again in Brussels on 23 October. I am aware that DVB members, together with many of the other industry players gathered here today, are committed to this initiative and I would like to thank you for the efforts that you are making in this respect.

In her **speech at Cebit**, in March this year, Commissioner Reding stressed the importance of mobile TV as a key example of the digital convergence, which in turn is at the heart of the i2010 strategy framework for the Information Society. On that occasion, the Commissioner called upon industry, the Member states and all stakeholders to work together to develop **a European strategy for mobile TV.**

Today, I would like to take stock of the main developments which have taken place in the meanwhile and share with you some thoughts on **how we can create an innovative climate in Europe for mobile Television.**

## ***Need for a pan-European approach***

I firmly believe that we need a pan-European approach to set conditions for a rapid and wide deployment of mobile TV. There is a clear need to “think pan-European” whenever we look at mobile technologies and services. Mobile devices imply by definition the possibility to go beyond national borders and consumers increasingly expect devices and services which can function across the EU. Member States will need to reflect on cross-border requirements as they plan services with operators and broadcasters. For the Commission, there is therefore an **EU internal market** issue at stake here.

I would like to stress the need for such a pan-European approach in four main respects, so that Europe can drive

1. technology
2. the regulatory environment
3. the provision of content for mobile TV, and
4. spectrum policy

### ***1. Driving technology***

Driving technology for mobile TV means putting standards and interoperability at the service of the European market. Industry has clearly a pivotal role to play to ensure that technology is used to unlock the potential of the EU internal market for mobile TV.

We all know that European industry, supported also by EU funded research, is behind the technologies being used today to launch mobile TV services.

Today's first commercial launches of broadcast mobile TV use one of the two standards recognised by ETSI, the European institute for telecom standardisation: **DVB-H and T-DMB**. This happens today in Italy, Germany, Finland and the UK.

The choice of widely accepted standards is key for achieving economies of scale. In this respect, I would like to **thank the DVB community** for the important role played so far. Considerable effort is still needed, notably in order to provide certainty about technology licensing terms and conditions.

**Interoperability** is of paramount importance if we want mobile TV to go European. It is encouraging to see that industry has already started to work on this complex challenge, notably via the EMBC working group on technology, and will strive to find a common understanding in order to minimise in advance barriers to interoperability between technologies and consumer devices.

This is a difficult task but we have seen from past experience, as in the case of HDTV, that European industry together can succeed.

## ***2. Driving regulatory change***

The take up of mobile TV needs a stable regulatory environment. The cornerstone of this stable environment is the creation of a real single market for audiovisual media services. Only a real internal market enables operators to successfully deploy new services. Indeed, **we cannot expect the European industry to lead the way in developing new mobile services if it is confronted with 25 or more different regulatory regimes.**

This consideration applies especially to audiovisual policy (content rules), but also to authorisation regimes for the transmission of mobile TV services. Sufficient clarity and flexibility of authorisation rules at Member State level is required. Licensing regimes must make sense in terms of the Internal Market that will govern the deployment of Mobile TV infrastructures.

The Commission services have engaged in a fact finding exercise to have a clear picture of existing national regulatory regimes. We also expect the EMBC team which is currently working on regulation to come up with examples of regulatory best practice in this field.

### ***3. Driving the provision of content for mobile TV***

This pan-European dimension permeates the new audiovisual policy promoted by the Commission. Until now, the content rules that allow service providers to benefit from a single European market were limited to Television. Today, the proposal for a new **Audiovisual Media Services** Directive would give effect to the fundamental freedoms of establishment and to provide services, to all providers of audiovisual media content, regardless of the delivery platform.

Once the Directive is adopted, the application of the **country of origin principle** will give the legal certainty for the deployment of new services and the success of your businesses.

Clearly, the country of origin principle can only be applied if it is combined with a **minimum harmonisation of European rules**. The strategic choice here is between harmonised minimum obligations on European level or fragmented markets with high

levels of legal risk in any trans-border situation. Thus, in order to allow all audiovisual media services to benefit from the country of origin principle, the new audiovisual media services proposes a minimum harmonisation for all such services.

The key innovation of the proposed Audiovisual Media Services Directive is a platform neutral approach combined with a graduation of regulation. Services will no longer be regulated depending on the mode of delivery. The new Directive is based on the distinction between “linear” services (e.g. scheduled broadcasting via traditional TV, the internet, or mobile phones, which “pushes” content to viewers), and “non-linear” ones, such as on-demand films or news, which the viewer “pulls” from a network.

**The provision of mobile content can take both forms: linear as well as non-linear.** In the case of mobile content being of non-linear nature these services will benefit from a regulatory regime whose main objective is to protect consumers.

But even if this new Directive creates a real internal market for mobile services, we are well aware of the fact, that there might be still a number of other obstacles, in particular with respect to **copyright and related issues**. One of the major problems seems to be the access to valuable content under appropriate conditions. Certain types of content are of essential importance for the establishment of new platforms in general and mobile services in particular (premium content such as movies and sports).

Rights are, as a rule, bought exclusively by one company for a given territory, which often is not willing to sublicense rights for use on the Internet or via mobile devices. Moreover some right

holders are reluctant to sell rights for mobile platforms mainly because it is still difficult to determine and negotiate the real financial implications of these new communication channels. Therefore rights tend to be held back until the markets have actually developed and revenues become measurable.

In addition, we all know from the satellite TV experience, the problem with the "territorialisation" of rights. This problem may be even more acute for mobile services, once mobile services are real European and trans-border services. Finally in some cases it might even not be clear to which extent rights have been sold or acquired. In order to address the question of IPR licensing regimes in a European perspective, the Commission will present a communication on "**Content On line**" before the end of the year.

We must solve these problems if we are to have a Single European Information Space.

#### ***4. Driving a new approach to radio spectrum policy***

Last, not least, if we want mobile TV to be a success we need a **coherent European approach to spectrum policy**.

In the short term, we need a **minimum harmonisation of radio bands** at European level to allow Mobile TV services to get started. The Commission has started work on this, together with the Member states in the Radio Spectrum Policy Group, the RSPG. An opinion of this group on mobile broadcasting services, which was submitted for public consultation earlier this summer, is expected next month. The Commission has already decided to anticipate the RSPG main recommendation regarding the opening up of the so-called **L-Band** for flexible use by multimedia services

technologies. This recommendation was strongly supported by the main stakeholders in the consultation. The Commission will therefore submit a request to the next Radio Spectrum Committee in October to ensure that the CEPT will start the preparation of the technical implementation conditions for EU harmonisation without any further delay.

In the medium term, as mobile TV takes off, we may need further bandwidth for the new mobile, audiovisual services that come on stream. This means we should start serious discussions now about the use of the **digital dividend** that will result from the switching-off of analogue TV. This would include further harmonisation at EU level of frequency bands for potential use by services such as mobile TV. **Clearly, we cannot wait until the switchover deadline of 2012 to deploy new services such as mobile TV on a large scale.** We have urged the Member States to engage in discussions on how to capitalise on the digital dividend and work is already under way in the RSPG, which will present an opinion on this subject in February next year.

## **Conclusions**

The potential for Mobile TV is there. We all have seen, and some lucky ones also experienced, a foretaste of these new services during this year's World Cup. The first results are very encouraging and we should not forget that commercial offerings are only at a very nascent stage.

**Industry and all stakeholders have an important role to play in putting Europe in the driving seat of mobile television**

**services.** The Commission looks forward to your important contribution.

I wish you a fruitful seminar.

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