



THE REVIEW OF THE BBC'S ROYAL CHARTER

Response by the Digital Television Group

SUMMARY

The Digital Television Group (DTG) is an industry association founded upon principles of open standards, collaboration and industry consensus. It is an organisation that firmly believes that the dramatic growth in digital TV take-up in the UK is, in part, a function of the industry's ability to work in this spirit of mutual collective benefit.

The BBC plays an integral role supporting many cross-industry development initiatives. This response reflects such support, highlighting the ongoing engagement of BBC Research and Development Department in respect of new and emerging technology developments.

ABOUT THE DIGITAL TV GROUP

Established in 1996, the DTG is an industry association whose members co-ordinated the UK launch of digital terrestrial television. Its membership has grown to more than 100 organisations representing all sections of the digital television industry including broadcasters, network operators, consumer electronics manufacturers and retailers, and consumer groups.

The DTG has built upon its sound technical foundations to build a broader portfolio of activities that include industry and consumer communications, provision of testing facilities for the industry, project management of specific research projects and liaison with government and regulatory bodies. The Group is now immersed in the process of analogue to digital switchover working with all relevant stakeholders to determine the shape and form of an effective and workable implementation project.

This response has been drawn up in consultation with its members and represents a consensus of the views expressed. Individual members may, of course, have particular objectives and may submit their own responses to this consultation, which may differ in detail to this collective response.

*The Digital TV Group
7 Old Lodge Place, St. Margarets, Twickenham, TW1 1RQ.
tel: 020 8891 1830
email: office@dtg.org.uk
website: www.dtg.org.uk*

**RESPONSE TO THE QUESTION:
HOW SHOULD THE BBC RESPOND TO THE DEVELOPMENT OF NEW
TECHNOLOGIES AND TO CHANGING VIEWING AND LISTENING
HABITS?**

BACKGROUND

The Digital Television Group is examining the possibilities of improving and extending terrestrial television services following the release of spectrum at the time of digital switchover. The aim is to offer opportunities and options for consideration by regulators, government and the industry at large.

Two DTG cross industry groups have been set up. One is examining the ways in which high definition television could be introduced and the other is examining methods that could be made available for the provision of mobile television applications:

1. *High Definition*

High definition TV is based on 2million pixels per frame, compared to 500,000 pixels for standard definition. It offers a new viewing experience as the picture can have a much broader sweep without losing detail. Technology that is capable of producing high definition pictures is now routinely available in domestic equipment such as still cameras and camcorders and future DVD players will be high definition. Large flat screens capable of HD resolution are already available in the US and are expected to appear in the UK shortly. The UK market growth for large flat screens between 2002 and 2003 was 400% and prices are still falling. Standard definition pictures can look poor when viewed on large screens. In short, HD is likely to set the standard of picture quality by the time that switchover takes place.

There is currently a good deal of HD activity by UK programme makers. This is partly in response to demand from the US, Australian and Japanese broadcasters who are already providing HD services to the public and are demanding high definition programmes. These countries are due to be followed by Brazil, China and Mexico.

There is also activity by UK programme makers who are switching from film to HD acquisition as a cost saving exercise. These activities are leading to a growing UK archive of HD programmes and growing expertise in HD production by programme makers.

2. *Mobile Applications.*

The European digital terrestrial transmission system has the capability of providing a stable picture when it is received in a mobile or portable environment. This has not been the case with analogue broadcasting. This feature offers the opportunity to provide TV services to viewers who are out and about. Vehicles could be provided with traffic and safety information as well as broadcast services, possibly of a new type. The local coverage that is possible with terrestrial transmissions could provide new services that would be well suited to local traffic and

weather conditions. TV could also become available on the many types of handheld device that proliferate in the market. The Digital Television Group interest group looking at these options includes major world manufacturers in these technologies as well as those interested in service options.

THE IMPORTANCE OF THE BBC

The BBC plays a major role in many significant innovations in broadcasting. Its excellent R&D department gives it strength in depth in innovative broadcasting technologies, and its public service orientation allows it to make these powerful resources available to support industry-wide initiatives. The Digital Television Group brings together industry and broadcasting to ensure a successful and practical outcome to its activities.

Recommendation 1: We greatly value the BBC's investment in R&D, and we would recommend that this principle of appropriate investment, together with its public service approach, should be carried forward under any new Charter.

Recommendation 2: We also recommend that the BBC should be encouraged to continue to support key innovation opportunities for UK broadcasting. The Digital Television Group provides a particularly good forum in which the BBC can participate in developing the industry consensus necessary for fundamental technology innovation to be translated into real services.