

THE FUTURE OF RADIO BROADCASTING IN EUROPE

Workstream defined in RSPG document **RSPG10-316**

GENERAL COMMENTS

It is pleasing to note that all respondents deem the work done by the group, and the report in itself, as very useful, and that it is correct in the sense that this is how the situation is today in Europe regarding the Future of Radio Broadcasting. This even though it gives a very disparate picture of the situation today, what solutions are promoted and the solutions at hand. It seems then as if the report serves as a good summary and starting point for the discussions on how to proceed. Some criticism is put forward as regards the call for actions – but this is to be seen as a result of a misunderstanding regarding the task at hand for the working group. The task was to describe the situation in Europe today, what was being done/planned for – and identifying and proposing activities that would be beneficial. The working never saw it as its mandate to be decisive – rather showing the different alternatives for a way forward.

This is also the case regarding the responses described below – they all give different views on how to proceed, and suggests different actions. It is now for the RSPG to decide on how to formulate an opinion that defines not only the first action to be taken, but also gives strategic guidance on this matter for the member states.

The chair of the working group would like to thank all the respondents for their efforts in contributing to both the report, and the results of the consultation in itself.

CONCLUSION

There is no need to revise either the report in itself, or the recommendations given by the working group. They are still valid, or even strengthened – and state the need to:

- Impose in all EU some minimum extra functionality which would be common on all new digital radio receiver devices in the EU single market
- Establish an EU standard for satellite radio reception in cars
 - solving the coverage issue and triggering car manufacturers investments (important)
- Leave to the discretion of Member States the possibility to use traditional digital broadcasting standards such as DRM or DAB+
- Studies into the use of narrow band standards (for example DRM+). Band I, II and III.
- Study of the ”technical cross-road” – giving more certainty about digital radio technologies
- Study on addressing costs and attractiveness of investments

Information sharing is important:

- Monitor and report on the progress of the deployment of Digital Radio Broadcasting Networks
- Arrange public workshops/forums in order to provide guidance on best practice (technical/economical/political)

DETAILED RESULTS OF THE CONSULTATION

As said above, it is pleasing to note that all respondents to the consultation seem to view the report as thorough in the sense that it gives an accurate description of the situation for Radio Broadcasting in Europe today. This was one of the main aims for the consultation: to safeguard the report's findings in relation to the organisations and companies that deal with this issue on a day to day basis. However, there are also some comments regarding issues such as that the report does not give enough guidance on what should happen next. The view seems to be that they do not deem the report as the guiding tool – or rather decisive document – for how the Future of Radio Broadcasting in Europe should be defined, or approached. This was however not the aim of the report in the first sense. The working group for this report has approached the task very openly: what is the situation today in the field of radio broadcasting, what are the opportunities, and lastly: what different kind of options can be put forward for discussion regarding European common solutions. In that sense the report is supported by all respondents.

So, which is the way forward? This is a valid question, and the respondents themselves give very diverse answers, mostly because they represent different interests. The decisive answer is probably not even manageable – not even with the report at hand, and with the results of the consultation.

The upcoming work – and the direct actions that should be proposed – will of course be dealt with in the upcoming RSPG opinion on this topic. However, the way forward should have this as a starting point: it must be left to the national markets to decide on standards, and adequate timeframes for the digitisation. This is due to the different situation regarding progress/views in-between Member States. But – equally important for RSPG to stress is the need to find collaborations/forums in which Member States help each other in reaching some common goals. Bit by bit – over time – common markets will probably then evolve, in which for example different kind of receivers and platforms can coexist. Drawing upon the responses, the chair would like to highlight the following:

- The underlying incentives (such as technical and economical benefits) for digital switch-over must be clarified and more thoroughly analysed
- If possible formulate a European strategy – and stress the fact that commitments must be made by member states in order to give long-term clarity for investments
- The setup of a working group that is charged with coordinating actions across Europe, and continuing to spread information, by building on the findings in the report at hand. This work should at first hand deal with the suggestions in the report concerning, for example, definition of narrow band systems, and the concept of a more flexible technical option. The group should also work together with industry in formulating an action plan on a wider scale.
- The importance of withholding direct recommendations in the report – mainly because they have already been agreed upon between participating countries. An example is that of the BAND III (174-230 MHz) for the introduction of digital radio broadcasting on the basis of the Geneva06 agreement

Some answers to the consultation are very explicit in what the respondents see as important – it is of importance for the validity of the RSPG opinion that all these suggestions are dealt with. Below a summary is presented.

SUMMARY OF RESPONSES TO THE CONSULTATION

The summary describes the main opinions given by each of the respondents, as seen by the chair. Responses were given by:

- The Association of Commercial Broadcasters and Audiovisual Services in Germany (VPRT)
- Broadcast Networks Europe (BNE)
- Association Européenne des Radios (AER)
- German Radio and TV (ARD)
- The European Digital Radio Forum (EDRF)
- DRM Consortium

THE ASSOCIATION OF COMMERCIAL BROADCASTERS AND AUDIOVISUAL SERVICES IN GERMANY (VPRT)

VPRT sees FM as the driving standard for economic growth and employment, but also social inclusions and cultural diversity. FM in Band II is and will continue to be the most important means of transmission for radio. They point to the fact that millions of new FM devices enter the market each year – and thus are modernising it, and the importance of FM when it comes to reaching out with messages to the public (safety issues). The issue of lack of frequencies in the FM band can be treated by rearrangement at a national level. They do not see DAB+ as a solution since it is not seen as market-driven – at least not for the upcoming 5-10 years, and point to the high investments connected to this. Therefore the suggested common European strategy for introducing Digital Terrestrial Sound Broadcasting, and in particular, with the emphasis on a timeline, is not an appropriate way forward as it does not take the economic reality into account. From the regulatory side it should be ensured that the frequencies of Band III and L-Band are saved for radio broadcasting to give them the long-term opportunity for a digital development in these bands. They propose a recommendation towards the Member States, not to set a switch-off date for FM.

BROADCAST NETWORKS EUROPE (BNE)

BNE generally supports the main findings in the report and would in particular like to endorse the following proposals and recommendations put forward by RSPG. BNE has another view than VPRT regarding lack of frequencies: “As described in the report the lack of frequencies in the FM band and the limitations of analogue technology are the reasons that analogue radio broadcasting in Europe offers no further development.”

BNE fully endorses the proposal to develop a common EU strategy for digital radio. In addition to the RSPG proposal it would be beneficial to include a recommendation regarding a strategy and possibly preconditions for analogue switchover decisions which could be used by the regulatory bodies among the Member States.

BNE's comment regarding the report's conclusion: “More certainty about digital radio technologies is needed”, is that the European standard Eureka 147 (including T-DAB, T-DAB+ and T-DMB) is the most widely spread digital radio standard in Europe and already implemented in several markets. A recommendation for pan-European digital receivers should be based on this standard. BNE strongly supports the recommendation that EC should indicate that the BAND III (174-230 MHz) is envisaged to be used also for the introduction of digital radio broadcasting on the basis of the Geneva06 agreement and that in some member states parts of the band 230-240 MHz may also be used on the basis of the Wi95CO7 agreement.

BNE also sees the chaining of radio and telematic service distribution as an important aspect, providing a common distribution platform offering also traffic and telematic information everywhere. Nearly all over Europe Band III is available for digital terrestrial radio and this frequency band offers good conditions to achieve full area coverage for reasonable costs. Advanced telematic services need much more transport capacity than FM networks.

ASSOCIATION EUROPÉENNE DES RADIOS (AER)

AER states that the report constitutes a very thorough and in-depth presentation of the state-of-play of digital radio's development across Europe, and AER thanks RSPG for this extensive piece of work. AER underlines that it is highly unlikely that internet transmission can efficiently replace broadcasting.

This element is of utmost importance and entails two main consequences: while terrestrial digital radio broadcasting most likely constitutes radio's future main means of transmission, it is very difficult today to say when or how. In other words, it is essential that the RSPG report on the Future of Radio Broadcasting outlines in its conclusions the following:

- no universal switch-off date for analogue broadcasting services should be envisaged at EU level and decisions on standards to be used for digital radio broadcasting should be left to the national markets
- decision on the adequate timeframe should be left to each national industry: as a matter of principle, transition to any improved digital broadcasting system should benefit from a long timeframe, unless there is industry agreement to move at a faster rate

It is also fundamental to recognise the fact that European States should decide how to bring forward digital radio development. AER therefore warmly welcomes RSPG's acknowledgment of this fact as a starting point of its report on the Future of Radio Broadcasting. AER also puts forward the importance of FM when it comes to reaching the public with important messages, and also points to the quality of sound and easy to use, and economic factors connected to mass market. Therefore, one cannot consider a complete migration to digital terrestrial broadcasting – and certainly not an analogue broadcasting switch-off date – before every car and every household can receive a digital signal, and are equipped by a sufficient number of digital receivers. AER therefore perceives FM – although analogue – to be a state-of-the-art efficient technology. AER sees however, digitisation as the future of radio broadcasting, and digital terrestrial radio broadcasting will mainly use band III (174-230 MHz) or L-band (1452-1492 MHz).

An especially important topic for AER is that the digital radio's development should reflect each EU Member States' economic, geographic and cultural conditions – as was the case with FM radio's development. AER lastly puts forward 4 suggestions on how the EU can help fostering a favorable environment for digital radio's development:

- preserving access to bands II, III and L for radio broadcasting
- maintaining exceptions to market-based approaches to spectrum management in the bands mentioned above
- supporting / creating digitisation public funding-schemes for all radio actors and consumers
- extending licenses terms

GERMAN RADIO AND TV (ARD)

Terrestrial Broadcasting has a longstanding tradition in Germany and throughout Europe. In particular, Public Service Broadcasters are committed to terrestrial broadcasting transmission since it offers the capacity for universal coverage, availability of and accessibility to a variety of quality content services on a non-discriminatory basis and at affordable prices for all. ARD points also to the differences between TV and Radio as means of listening: television is consumed while requesting full or partial attention of viewers, whereas radio is usually listened to while doing something else. Therefore, portable and mobile receiving conditions are significantly more important for the delivery of radio programmes than for television programmes. This underlines the importance of terrestrial broadcasting for the distribution of radio programmes.

ARD especially welcomes the annex that is provided containing the responses of several European administrations and organisations from the industry to the questionnaire that was sent out by RSPG. This since it gives a good overview about the assessments and expectations towards radio broadcasting across Europe.

ARD agrees with the analysis of RSPG that despite the fact that Band II does not provide enough spectrum to satisfy the needs of PSBs, there is no indication that analogue radio service will be phased out in the near future somewhere in Europe. It is true that the FM market is not declining and still constitutes the major revenue source for broadcasters, in particular commercial broadcasters in Europe. RSPG sets out several proposals which are supported by ARD. In particular, RSPG expresses its support for several current activities in Europe such as “Unique Digital Radio” promoted by WorldDMB, EBU and DigitalEurope or the investigations carried out by CEPT FM45. Furthermore, opening Band III for narrow band systems like DRM+ as proposed by the report is an objective of ARD, too. Finally, a European strategy for the introduction of digital radio in terms of promoting DAB as the favored European standard for Digital Radio would be certainly beneficial. ARD would support such an initiative.

ARD would have wanted the report to contain more about the discussion about incentives for digital switchover, for example a more profound analysis and concrete proposals would be required. ARD welcomes the initiative of RSPG to address the issue of digital radio broadcasting in Europe. However, the overall impression of the RSPG report on the future of radio broadcasting in Europe is that this report is rather a descriptive document or an inventory than a call for actions. It lists many valid statements and arguments pro digital radio, however, ARD deems the message as weak. ARD would have wanted a clearer signal towards digital radio in Europe. It is obvious that only a joint European effort will make digital radio take off in Europe. This would require a clear commitment of the EC to identify the DAB family together with DRM+ as the preferred European radio broadcasting option for terrestrial distribution.

THE EUROPEAN DIGITAL RADIO FORUM (EDRF)

EDRF supports the report, and puts forward some additional suggestions and opinions:

- Analogue radio cannot survive in a digital world, and furthermore given the chance to do so, digital radio can provide so much more than analogue radio.
- Different countries have different capacities to make national decisions about digital radio, because of factors such as market size, consumer income and legacy issues.
- There is a critical need for action at the European level in the European public interest to ensure the success of digital radio.
- The interest of Europeans as whole is to have a common single European market for digital radios - it will bring lower costs and greater choice for consumers.

EDRF ends with a request that an ad-hoc action committee is set up jointly by the RSPG and the Communications Broadcast Issues Subgroup (CBISS), charged with coordinating actions across EU members, including making recommendations for digital radio, and for enabling a single European market for digital radio. They should be asked to develop an Action Plan for Europe for Radio before June 2011.

DRM CONSORTIUM

The DRM Consortium (below named DRMC) welcomes the RSPG report on the future of radio broadcasting in Europe from a spectrum policy perspective. The 24 country and 11 industry responses are seen as incredibly useful and challenging in their very diversity. DRMC especially puts forward the following:

- DRMC supports the conclusion that the spectrum used by FM is congested and will hamper in the short term its development. The future of radio could be secured though in the medium and long term by the digital technologies that could replace or supplement FM.
- DRMC supports the idea of having Europe-wide recommendations concerning Digital Radio technologies, in particular bringing together the World DMB profiles and the DRM (DRM30 and DRM+) profiles.
- DRMC are encouraged by the fact that the report acknowledges that “a more flexible option than T-DAB family is needed”. DRM suggests that “one option” (a study of DRM+ in bands I, II and III) is recommended as “the option”. This would strengthen the very case for pan-European profiles.
- Digital audio compression uses congested broadcast spectrum more efficiently – reducing interference, improving sound quality and allowing the transmission of data (EPGs, information etc) alongside audio signals.
- The only digital radio system that operates in all bands, in HF and VHF is Digital Radio Mondiale (DRM).
- In order to attain a common EU strategy DRMC would like to endorse the reports proposal for the immediate definition of the narrow band systems implementation within existing international agreements.

Lastly, the DRM Consortium puts forward some of the aspects that they see as the benefits of DRM.

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