

# UK 700MHz Strategy and Digital Terrestrial Television update

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## Ofcom decided on its UHF strategy last year

- Our dual objectives are to provide more low frequency spectrum for mobile broadband whilst securing the benefits provided by DTT
- We will do this by:
  - Seeking to enable a harmonised release of the 700 MHz band for mobile broadband
  - Ensuring that the DTT platform can access the 600MHz band, alongside other services sharing spectrum with DTT, including Local TV, PMSE, and white space services
- Decision set out in a Statement published on 16 November 2012, available at <http://stakeholders.ofcom.org.uk/consultations/uhf-strategy/>

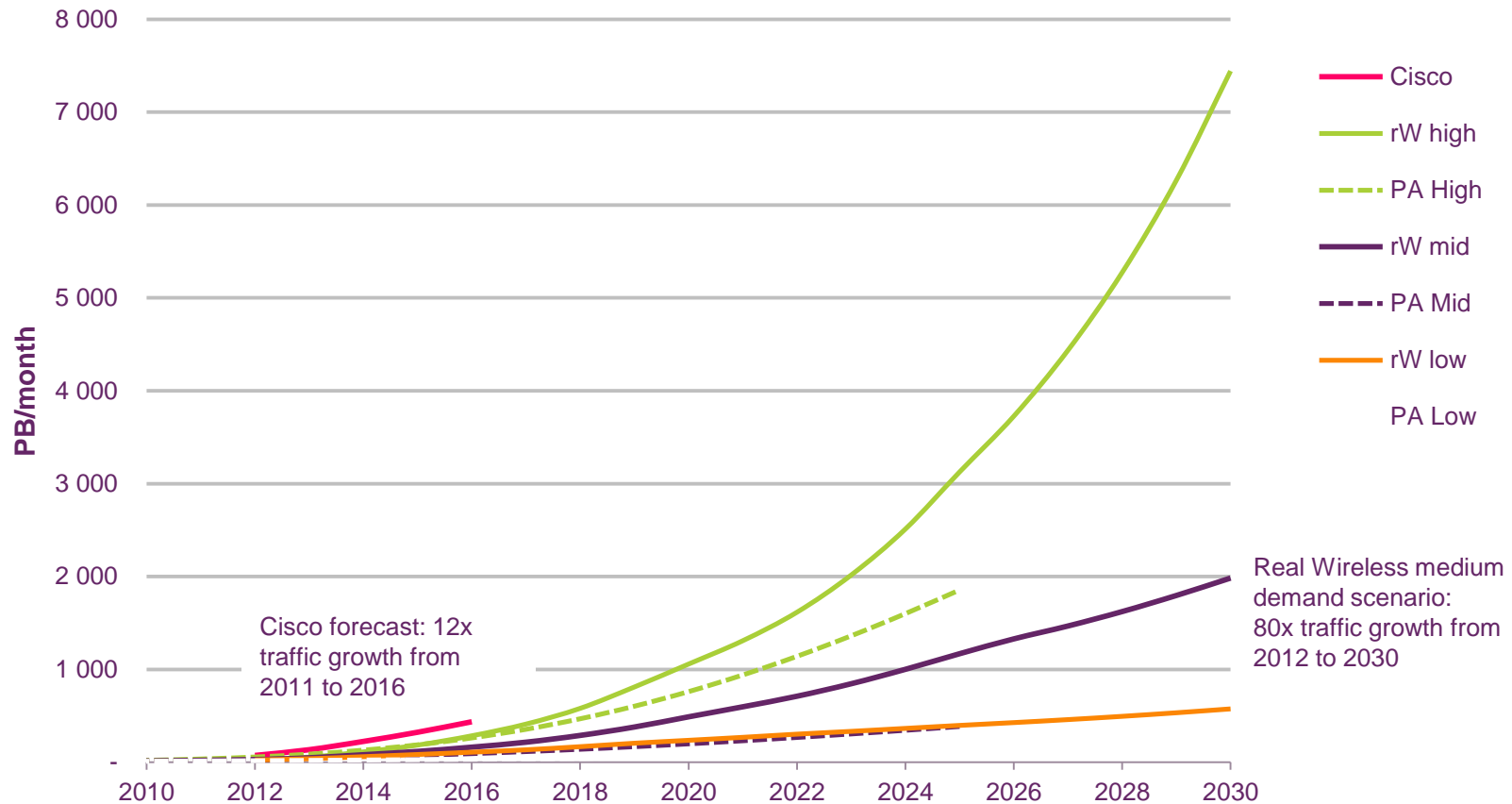
The likely global harmonisation of the 700MHz band for mobile broadband was a key input to our UHF strategy

**Handset economies of scale increase potential value of this spectrum**

700 MHz available now for mobile broadband in Regions 2 and 3  
The 700MHz band is harmonised for mobile broadband use in Regions 2 and 3, where it is being used (or planned for use) to deliver LTE based services in various countries.



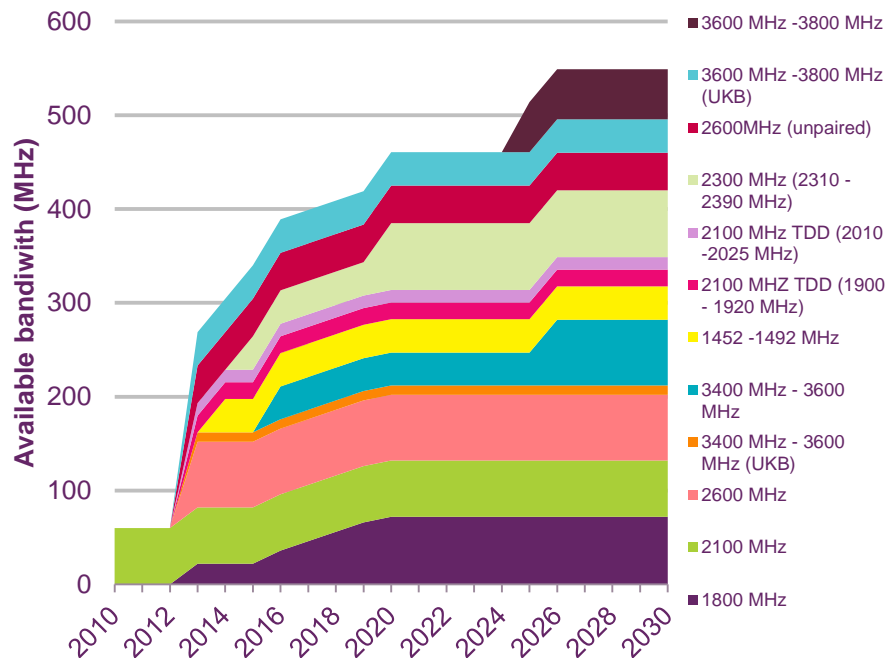
## The expected growth in demand for mobile data traffic is likely to increase the demand for more spectrum for these services



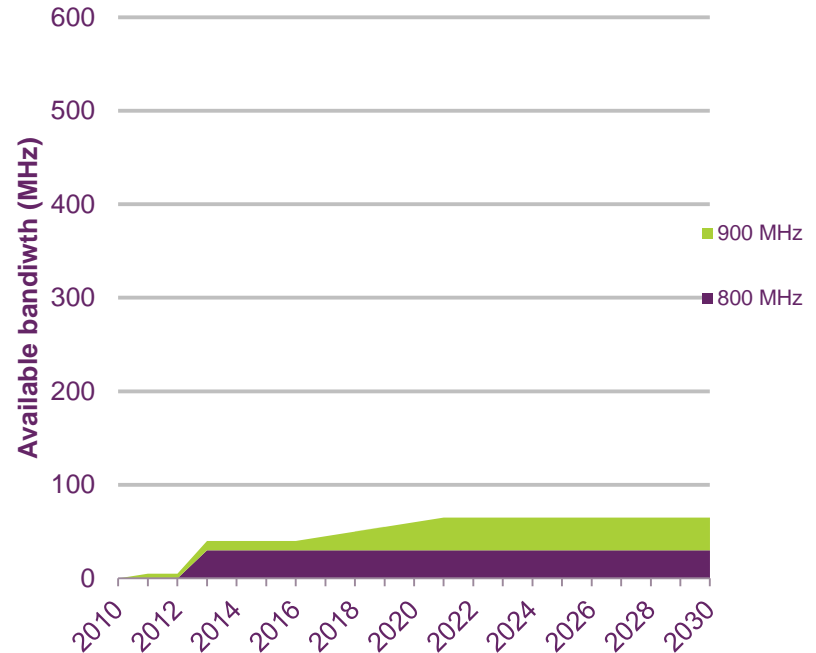
Source: Real Wireless

## There is likely to be a much more significant increase in the amount of harmonised mobile broadband spectrum above than below 1 GHz

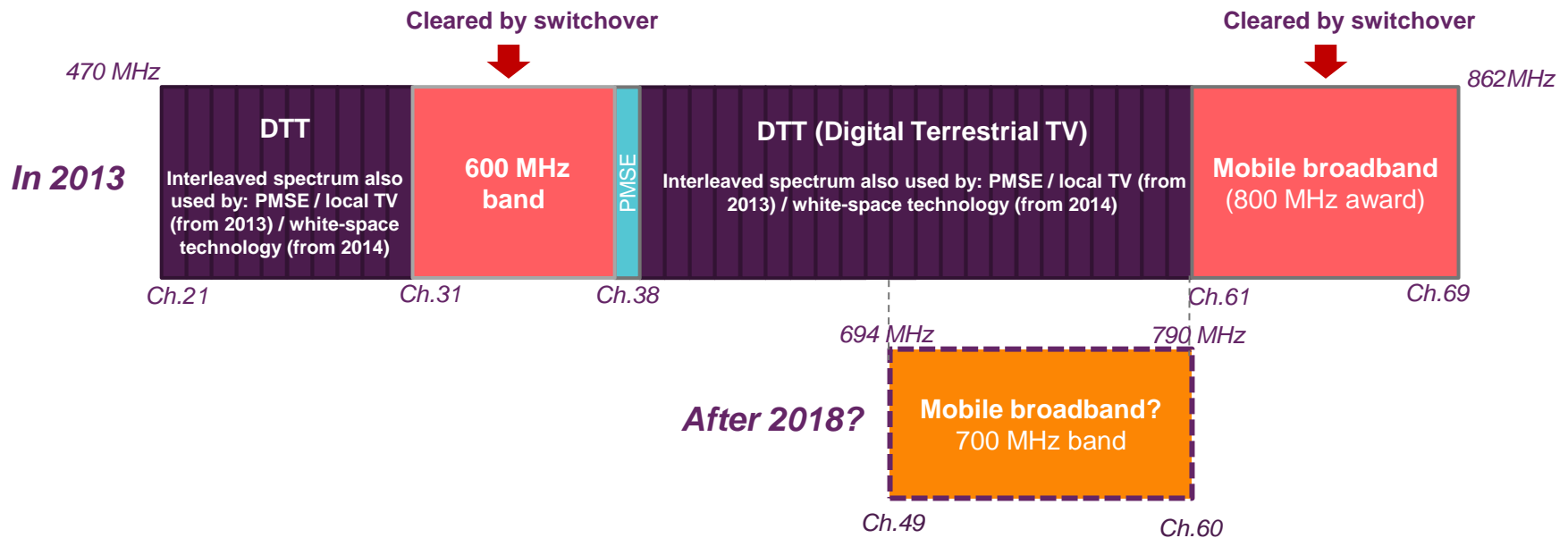
Expected availability of harmonised spectrum for mobile broadband above 1 GHz



Expected availability of harmonised spectrum for mobile broadband below 1 GHz



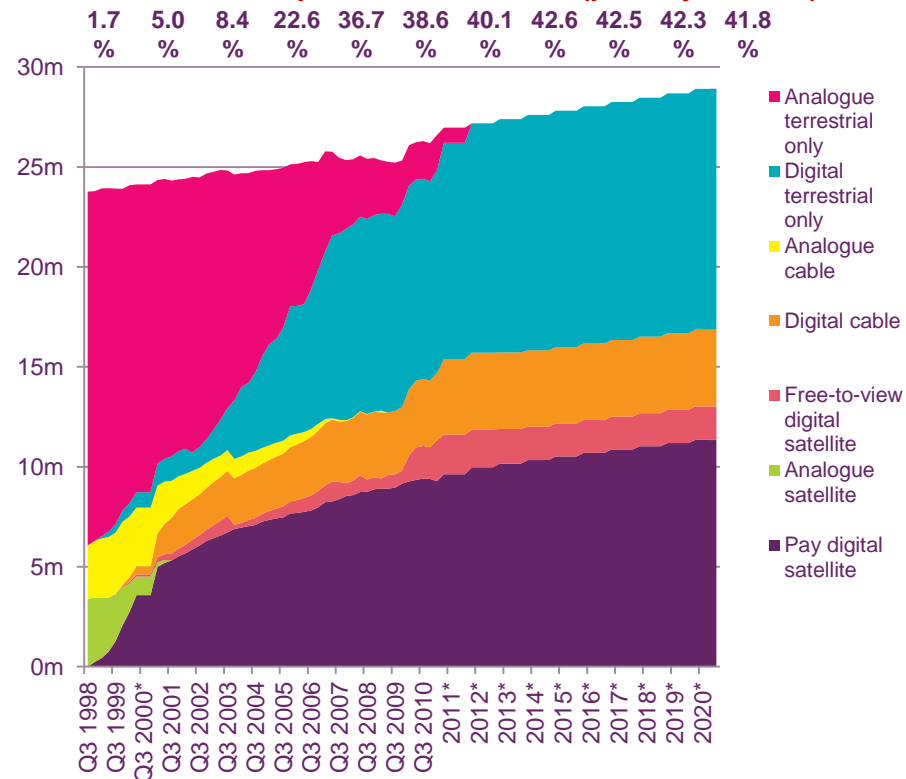
...but a release of the 700MHz band would significantly reduce the amount of spectrum available for DTT and services using interleaved spectrum



## DTT plays a very important role that is likely to be still relevant when 700MHz could be released

- DTT provides **low-cost universal access to PSB services**
  - It is unlikely that other platforms could fulfil this role by 2018
- DTT **sustains viewers choice** in TV content and platforms and TV equipment
  - DTT, thanks also to IP-complements (e.g. Youview), is likely to remain an attractive platform over the next decade
- Our consumer research highlights that the DTT's free-to-air attributes are **highly valued by consumers**

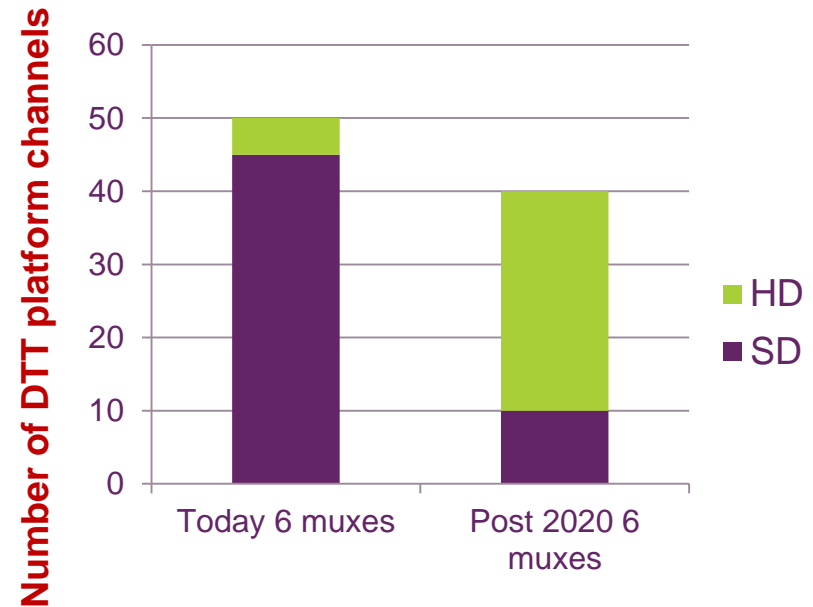
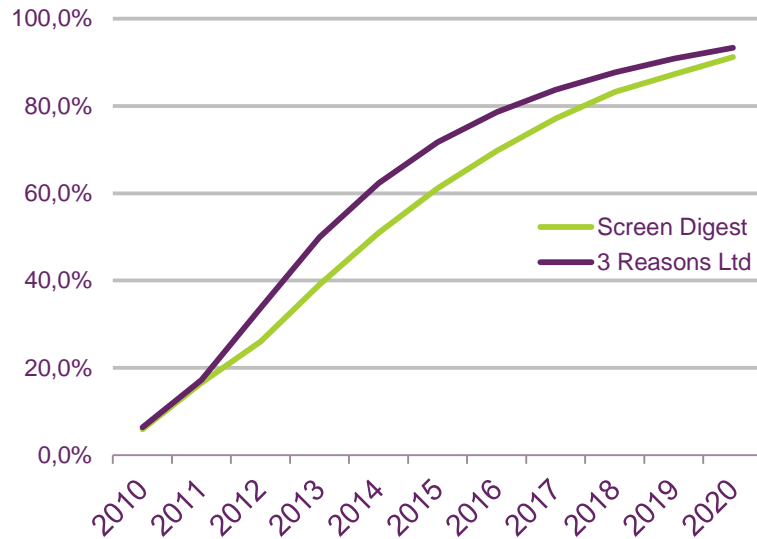
**Multichannel take-up in UK households (primary TV sets)**



Source: BARB Establishment Survey from Q2 2011, Ofcom/GfK NOP research from Q1 2007, previous quarters include subscriber data and Ofcom market estimates for DTT and free satellite  
 Note: Digital terrestrial relates to DTT-only homes.

Improved transmission and compression technologies can enable DTT to make more efficient use of spectrum but a move towards HD may offset this

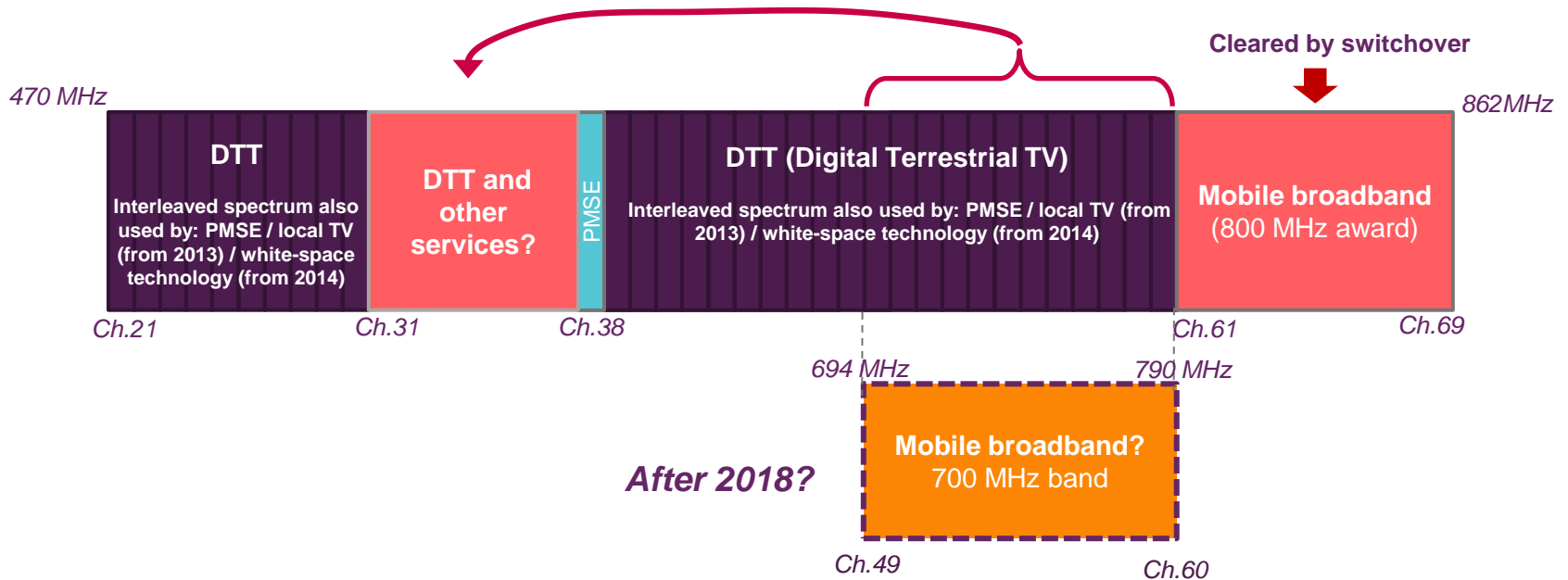
**DVB-T2 penetration on DTT primary sets**



**The natural market evolution to new technologies is relevant to our strategy – but we are not proposing a forced transition to more efficient standards**

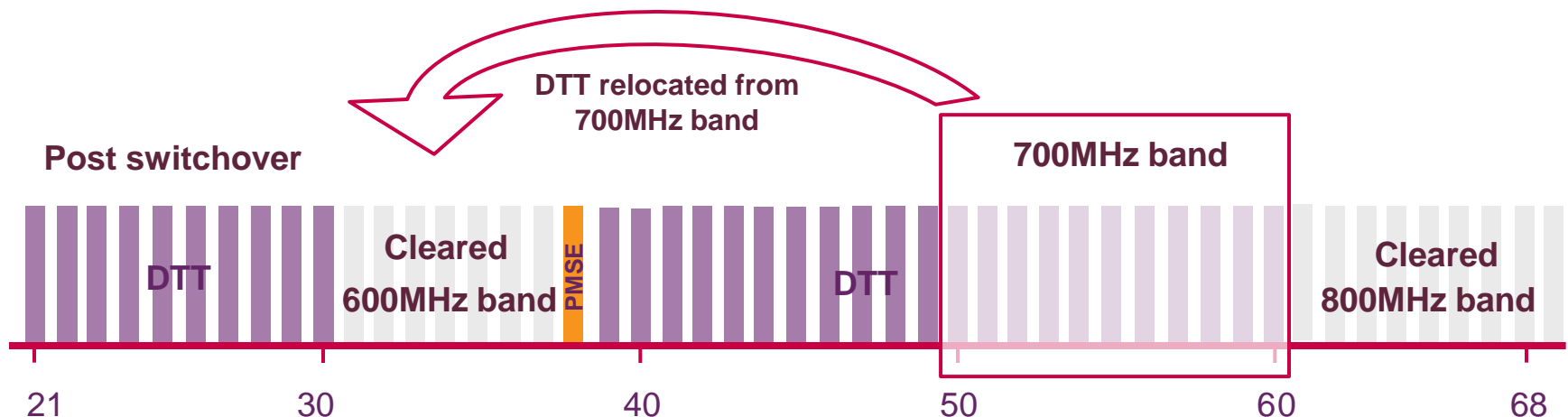


# How might use of the UHF spectrum change?



# UHF strategy implementation

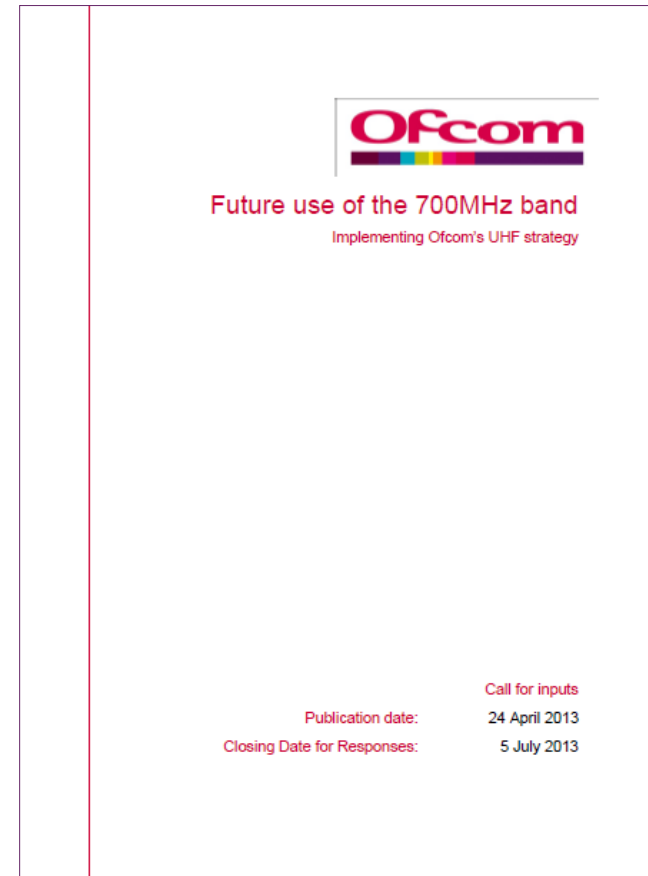
- Contributing to international discussion on band plans and interference analysis
- Carrying out modelling to estimate DTT coverage under different band plans
- Assessing impact on consumers
- 600 MHz band (550 – 606 MHz) is currently clear in the UK but is likely to be needed to accommodate current multiplexes if 700MHz band (694 – 790 MHz) is cleared, perhaps from 2018
- The empty spectrum has been made available for at least 5 years to launch two interim multiplexes operating with DVB-T2 to stimulate uptake of modern receivers



## Consultation on future use of the 700MHz band

From April – July 2013, Ofcom consulted on the work that Ofcom is planning to undertake in relation to the 700MHz band, and sought stakeholder inputs on certain specific areas, including:

- The factors that are relevant when assessing the costs and benefits associated with a potential future change of use of the 700MHz band;
- Whether market mechanisms such as incentive auctions could have a role to play in determining the timing of a future 700MHz release;
- The measures we can take to reduce the disruption and costs of any change of use of the 700MHz band.



## A longer term strategy for UHF spectrum (below 700 MHz)

- Work is underway in International groups to consider a longer term strategy for future use of UHF spectrum
- CEPT has established a Task Group (TG6) to consider 470-694 MHz
- WRC-15 has an agenda item to look at future availability of spectrum for wireless broadband
  - 470-694 MHz likely to be one of the one of the bands being studied
  - Separate question as to whether 694 MHz represents lower band edge of 700 MHz band
- European Commission also very interested in long-term future of this band

**THANK YOU**