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# MPHPT COMMUNICATIONS NEWS

Biweekly Newsletter of the Ministry of Public Management, Home Affairs, Posts and Telecommunications, Japan

# Communications Industry Forecasts of Business Conditions Show Recovery

MPHPT released the results (prompt report) of the survey on "overall results of Japan's communications industry (telecommunications and broadcasting)," conducted in April 2004, for the first and second quarters (Q-I and Q-II) of FY2004. Fixed figures will be posted at the end of July 2004 at the URL: <http://www.johotsusintokei.soumu.go.jp/>

The Business Survey Indices (BSIs) in the first quarter (Q-I) and the second quarter (Q-II) of FY2004 indicate as follows:

\* BSIs for telecommunications businesses have been showing the plus figure continuously; for private broadcasting businesses, turned to a plus figure; and for broadcasters as a whole, have strong tendencies toward plus.

\* BSIs for telecommunications businesses have tended weakly toward plus; for broadcasting businesses including private broadcasters and cable TV operators, they are making good progress compared to the basis for all

**Table 1. Business survey index**

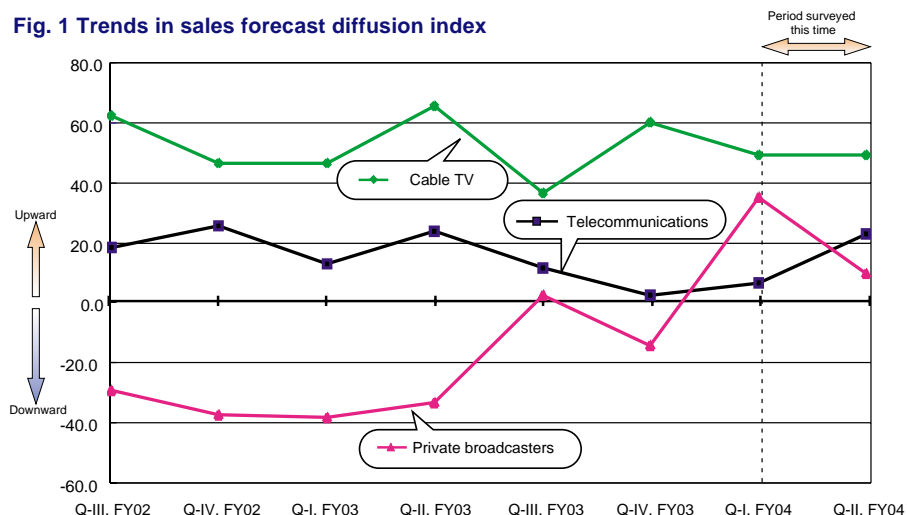
Type of business	FY2002		FY2003		FY2003		FY2004	
	Q-I	Q-II	Q-I	Q-II	Q-III	Q-IV	Q-I	Q-II
Telecommunications	18.4	26.0	13.0	23.9	11.4	2.4	6.7	23.3
Broadcasting	-3.0	-13.6	-13.8	-6.2	13.1	6.2	39.5	20.9
Private broadcasting	-29.8	-38.3	-39.1	-34.0	2.4	-14.9	35.5	9.7
Cablecasting	63.2	47.4	47.4	66.7	36.8	61.1	50.0	50.0
All industries	-11	-11	-9	-1	5	14	13	8

Notes: 1. Basically, indices are estimated at the end of the previous quarter for each. However, indices for Q-I and Q-II in FY2004 are estimated at the end of Q-IV in FY2003.  
 2. Figures for "all industries" are based on the "Indexes of Business Conditions (April 2004)," the Cabinet Office

industries.  
 Note: Business Survey Index (BSI): the "percentage points of companies saying that the sales conditions are improving compared to the previous quarter" minus the "percentage points of companies saying that the sales conditions are worsening compared to the previous quarter."

### 1. Sales forecasts

**Fig. 1 Trends in sales forecast diffusion index**



BSIs for Q-I and Q-II of FY2004 indicate as follows:

- Telecommunications businesses are

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- still in the "upward" tendencies of "6.7" for Q-I and "23.3" for Q-II of FY2004, respectively.
- Private broadcasting businesses turned to "plus," "35.5" and "9.7" for Q-I and "23.3" for Q-II of FY2004, respectively, from "minus" in Q-IV of FY2003.
- Cablecasting businesses are continuously in the "upward" tendencies of "50.0" and "50.0."

**2. Financial positions**

The Financial Position Diffusion Index (DI: The "percentage of companies saying that the financial position are easy compared with the previous quarter" minus the "percentage of companies saying that the financial position are tight compared with the previous quarter.") shows as follows:

- Telecommunications businesses and private broadcasting businesses continue to be the "easy" tendencies.
- Cablecasting businesses are to be the "recovery" tendencies of "8.3" and "0.0."

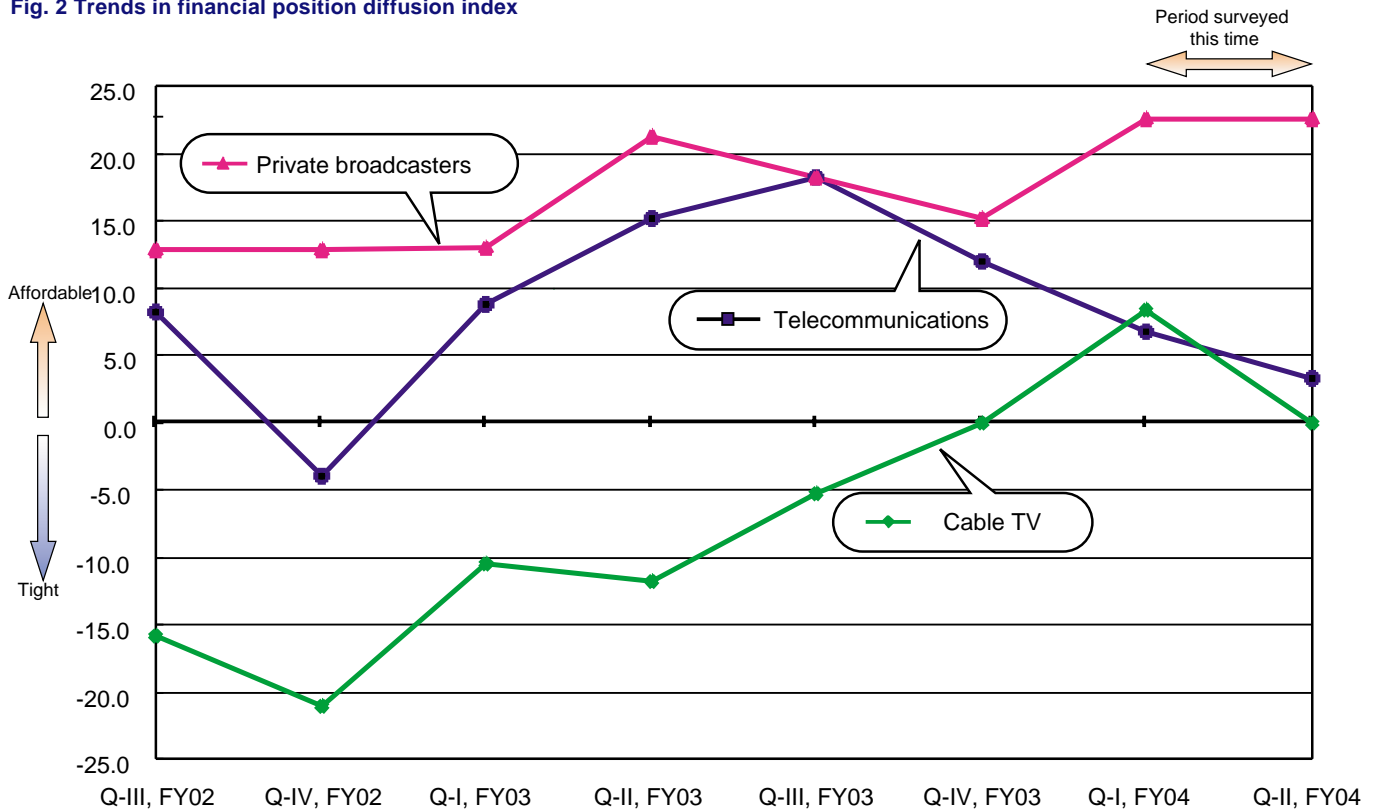
**Table 2. Financial position diffusion index**

(Unit: point)

Type of business	FY2002 Q-I	FY2002 Q-II	FY2003 Q-I	FY2003 Q-II	FY2003 Q-III	FY2003 Q-IV	FY2004 Q-I	FY2004 Q-II
Telecommunications	8.2	-4.0	8.7	15.2	18.2	11.9	6.7	3.3
Broadcasting	4.5	3.0	6.2	12.5	11.1	10.9	18.6	16.3
Private broadcasting	12.8	12.8	13.0	21.3	18.2	15.2	22.6	22.6
Cablecasting	-15.8	-21.1	-10.5	-11.8	-5.3	0.0	8.3	0.0
All industries	-16	-16	-17	-16	-13	-11	-9	-

Notes: 1. Basically, indices are estimated at the end of the previous quarter for each. However, indices for Q-I and Q-II in FY2004 are estimated at the end of Q-IV in FY2003.  
 2. Figures of "all industries" are based on the "Short-term Economic Survey of Principal Enterprise in Japan," Bank of Japan.

**Fig. 2 Trends in financial position diffusion index**



**3. Forecasts on business conditions**

The Business Survey Indices (BSI: the "percentage points of companies saying that the business conditions are improving compared to the previous quarter" minus the "percentage points of companies saying that the business conditions are worsening compared to the previous quarter.") for Q-I and Q-II in FY2004 show as follows:

- With respect to telecommunications businesses, the "upward" tendencies are weakening, showing "0.0" and "3.3," respectively.
- With respect to private broadcasting businesses, the "upward" tendencies showing "30.0" and "13.3," respectively, are in a strong tone.
- Cablecasting businesses continue to be the "upward" tendencies of "16.7" and "8.3."

Table 3. Index for forecasts on business conditions

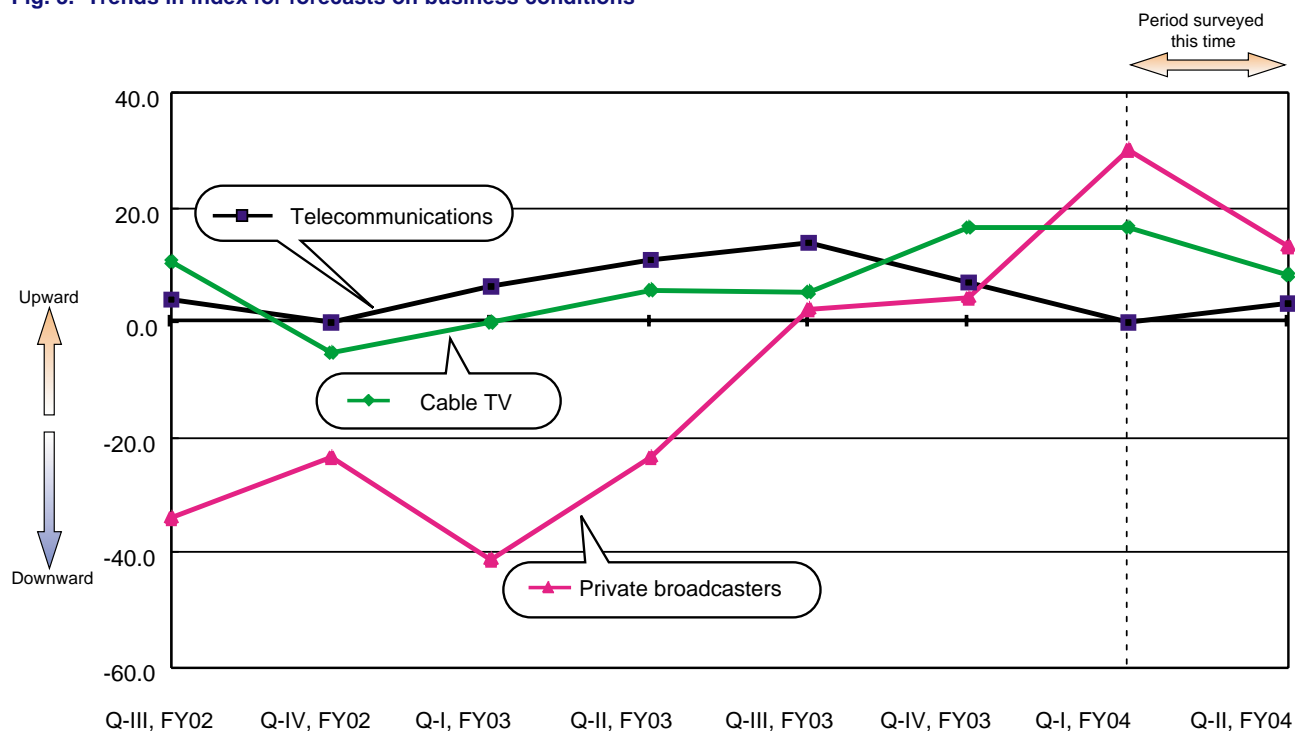
(Unit: point)

Type of business	FY2002	FY2002	FY2003	FY2003	FY2003	FY2003	FY2004	FY2004
	Q-I	Q-II	Q-I	Q-II	Q-III	Q-IV	Q-I	Q-II
Telecommunications	4.0	0.0	6.5	10.9	14.0	7.1	0.0	3.3
Broadcasting	-21.2	-18.2	-29.2	-15.4	3.2	7.8	26.2	11.9
Private broadcasting	-34.0	-23.4	-41.3	-23.4	2.3	4.3	30.0	13.3
Cablecasting	10.5	-5.3	0.0	5.6	5.3	16.7	16.7	8.3
All industries	-23	-25	-20	-6	2	8	5	7

Notes: 1. Basically, indices are estimated at the end of the previous quarter for each. However, indices for Q-I and Q-II in FY2004 are estimated at the end of Q-IV in FY2003.

2. Figures for "all industries" are based on the "Indexes of Business Conditions (April 2004)," the Cabinet Office

Fig. 3. Trends in index for forecasts on business conditions



## Survey outline

### [Survey on the "overall result of Japan's communications industry"]

To grasp the business trend of communications industry (telecommunications and broadcasting), the monthly survey indicated below has been carried out on sales, etc. since April 1995. Fixed figures will be posted in the end of June 2003 at URL: <http://www.johotsusintokei.soumu.go.jp/>

### [Businesses surveyed]

The number of surveyed businesses for each type of business (telecommunications carriers and broadcasters) is calculated proportionally with the type's share in revenues for FY2002. To be statistically significant, the sampling number, as calculated from the number of parent populations of communications industry, is set at 133. The businesses surveyed are sampled in descending order from the one with the largest sales down to the 133rd one.

### [Survey method]

Conducted by questionnaires (mailing survey cards, entered by businesses via fax or the Internet)

### [Survey items]

Business forecast (conducted only in July, October, January and April and reported in the following month, respectively), etc. and sales (every month)

### [Companies Surveyed]

Type of business	The number of companies	The number of respondents	Response rate (%)
Communications	133	84	63.2
Telecommunications	63	37	58.7
Private-sector broadcasting	70	47	67.1
Except cablecasting	50	34	68.0
Cablecasting	20	13	65.0

# Report Released from the "Study Group on Future Aeronautical and Maritime Communications Systems in the Ubiquitous Network Age"

Introduction of broadband platforms in the aeronautical and maritime communications field has been lagging behind the land communications field where land communications systems have been swiftly shifting from narrowband to broadband.

Since November 2003, MPHPT has been holding the "Study Group on Future Aeronautical and Maritime Communications Systems in the Ubiquitous Network Age" (Chair: Prof. TAKAHATA Fumio, School of Science and Engineering, Waseda University) for the purposes

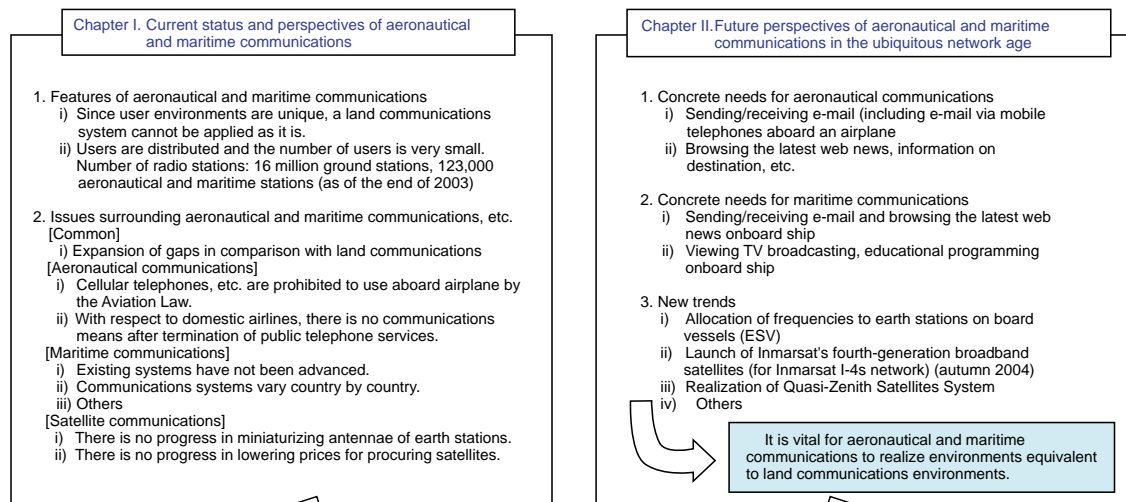
of deliberating upon future aeronautical and maritime communications systems in the ubiquitous network age, and future promotion measures thereof.

The Study Group has recently compiled its findings as a report.

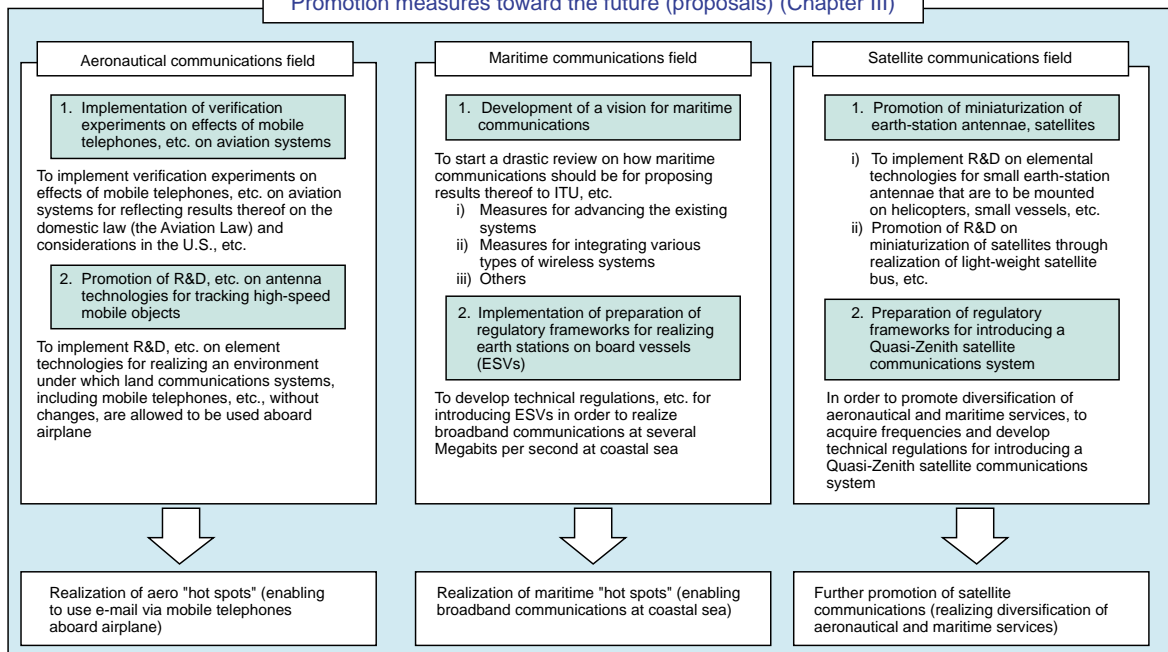
The outline of the report is as follows:

## Toward Realization of Wireless Spots

Report from the "Study Group on Future Aeronautical and Maritime Communications Systems in the Ubiquitous Network Age"



## Promotion measures toward the future (proposals) (Chapter III)



# Realization of aero/maritime wireless spots

