

Study Group on Approaches to Cable Television in the 2010s Summary of Minutes
(10th meeting)

1. Date

2 to 4 p.m., January 26 (Fri.), 2007

2. Location

Conference Room 1, 1st floor, Low-Rise Building, Ministry of Internal Affairs and Communications

3. Attendees

(1) Committee members (honorifics omitted)

Tsunetoshi Ishibashi, Yoshihiro Oto, Fujio Koike, Toshihiko Shimizu, Kazuteru Tagaya, Tetsuro Takeoka, Kazutoshi Terasaka, Masataka Nakamura, Yuuji Fujimoto, Tadahisa Mori, Hirotsugu Yamaguchi, Toko Yamashita

(2) MIC representatives

Suzuki (Director-General, Information and Communications Policy Bureau), Nakata (Deputy Director-General, Minister's Secretariat), Takeda (Director, Satellite and International Broadcasting Division), Fujishima (Director, Regional Broadcasting Division), Honma (Senior Technology Planning Officer, Regional Broadcasting Division), Inoue (Deputy Director, Regional Broadcasting Division)

4. Outline of proceedings

(1) Call to order

(2) Discussions on the draft report

(3) Closing

5. Main Discussions

The secretariat explained the draft report (documents 10-1 & 10-2). The following question-and-answer session was then conducted:

- Is it possible to describe the state of cable television in accordance with the local situation by such as the areas where FTTH (communication carrier) and cable television coexist, or where only cable television service is provided?
- For the cable television characteristics on page 28, you should describe cable television as being indispensable as a wired access line for general people and consumers, as well as NTT, and state that it has the responsibility to do that.

- In description, you should confirm that copyright as well as regulation differ between wire telecommunications service and cable television broadcast.
- It is necessary to see that the government will review simultaneous retransmission in a limited area according to copyright law.
- I would like you to describe the manner of providing an incentive for promoting mergers.
- In rare cases, wire telecommunications service broadcasting is involved in the issue of cable television broadcasting. This is difficult to understand. You should clearly define the cable television covered by this report.
- It seems that the definition of cable television may cause headaches because a copyright problem arises due to the appearance of wire telecommunications service, or communication services, such as VOD, being covered by cable television, for instance. I agree that the sense of the draft is not arranged beautifully.
- In most cases, cable television focuses on public nature. I believe that it is not sufficient to know what public nature is or how the municipality considers cable television business. I feel that it is important to provide electronic municipality or administrative disaster information.
- Do you mean the public nature is on a software (service) level rather than a hardware level?
- "M & A" has been repeatedly discussed before, but it has not been improved yet. I think the issues mentioned herein cannot be resolved unless management works, not as a collection of cable television broadcasters.
- For the retransmission of terrestrial digital broadcasting by IP multi-cast broadcasting as shown on page 35, you should clearly state that its primary purpose is to eliminate visual and hearing disabilities in disadvantaged areas as a supplementary measure toward "perfect digitization in 2011."
- "In full consultation with ground broadcasters" is more suitable than the "in collaboration with ground broadcasters" described on page 35.
- What does "network DVR" on page 37 mean? How does it differ from a computer connected to a network for downloading? Please explain this a little bit in detail to be clearly aware of it.
- I think that a network DVR is something to be fixed on a network.
- Wireless services are described on pages 44 and 52. I understand that radio is used as a complementary means for cable TV to cross rivers, etc. I guess that nobody has discussed the full-scale use of radio for cable television. These expressions should be deleted.
- I believe the terminal part of radio community is needed to popularize terrestrial digital broadcasting, but who is responsible for the expenses related to radio community equipment and to whom does it belong? I think it is difficult to require viewers to shoulder a viewing fee.
- I feel that there is no need to delete the discussions about radio. I consider that radio would be used for the areas where neither FTTH nor cable TV is available. The potential for radio

should be left, but discussion issues should be described herein.

→ There is nothing wrong with a radio community in a disadvantaged area. Nevertheless, the description in the latter paragraph on page 44 can be understood as cable television broadcasting being separated into two components: hardware and software to get further into radio. This is the question that has a bearing on the central point of cable television. Is it described excessively? The same is true for page 52.

- Both NHK and commercial broadcasters have put an examination committee in place to examine technical conditions and ensure transparency in regard to retransmission by IP multicast. I would like you to describe this matter as well.
- It seems that the issue of agreement on retransmission on page 36 is “out-of-bounds retransmission.” NHK has already created an original piece to make an approach. The expression of “discussion” is unreasonable. If there is an issue or a subject to talk about, “discussion” should be used.
- For the “content of program-supplying broadcasters for satellite broadcasting” description on page 37, I would like the description to include telecommunications service broadcasting.
- For IPTV, I feel that you should describe not only domestic status, but also overseas status, to allow us to assume a future situation.
- In 2(1) on page 30, particularly important points of cable television include “society where everybody including aged people can live a happy life and can participate” and “society where each region is vitally addressing reconstruction of their community.” In the “ideal situation and roles of cable television in the 2010’ s” of (3) on page 31, there are only three lines of “offering community-based services” to respond to the above. In regard to how people become kind to aged people in a community-based environment in the aged society, this plays a great role in offering a means of communication or a place when establishing a community. I feel that describing this point clarifies what cable television is supposed to be about.
- For “(3) promotion of alliances with other businesses” of the governmental support mentioned in the last four lines on page 55, I feel that this expression is needed for the “merger between and collaboration with businesses” given on page 53, so I hope you will cover the whole part with the expression.
- Public nature is not discussed sufficiently, so I want you to emphasize the connection with the municipality. Cable television is equipped with both of virtual network and real distribution or human exchange. Focusing on the relationship with medical care/welfare or nursing care systems, I suggest distinguishing between metropolitan, major urban and rural areas in terms of the characteristics of cable television.
- I will provide some reference documents to the secretariat to enrich the description of community-based services.

- For “promotion of discussions on retransmission of terrestrial digital broadcasting” on page 36, I think terrestrial broadcasters are advantageous to discussions on the retransmission. For the last part of this paragraph, I would like to suggest the expression of “I have discussions in good faith in terms of protecting viewers’ benefits.”

- I think it is necessary to collect data as mentioned on page 57. I would like to suggest describing specifically what data is necessary.

- I think you should emphasize the regional necessity, public nature and functionality of cable television so that broadcasters can make an easier approach.

- In the “specific roles of cable television” paragraph on page 34, broadcasters’ issues are itemized from (1). I believe the expression of “promotion of fair competition” under “(4) Others” is one of the governmental issues. I feel some confusion of issues of the government and cable television broadcasters.

From the viewpoint of lower pricing resulting from competition, I do not think “M & A” is advantageous to general people or viewers. “To be a business of one trillion yen” is a challenge of the cable television industry. If more subscribers cannot be obtained, the price will be raised. Does this go against general people or viewers?

Why not write so that general viewers can understand whose problem it is or who has this merit.

→ I think a trillion-yen industry should raise its flat rate with other fluid services, not with existing services only.

- The “others” on page 34 contains important content. This content should be itemized as a composition. Especially, I feel that the improvement in the competitive environment should be described in unlimited sections.

- Competition is described ambiguously. The field or level of competition should be clarified. It seems that competition can occur mainly in the software field. In some cases, however, FTTH and cable television are competing in the same region. Why not categorize competition?

- How about emphasizing public nature?

It is necessary to strengthen the public functions of communities. I feel that you should leave the descriptions of not only lines, but also future radio use, as the means for people in a community to access information.

- I believe that collaboration with a community broadcasting station is possible as an option. I would like to suggest using an expression stating that cable television does not interfere with the activities of such a community broadcasting station (for example, “will be discussed later” or “community broadcasting station policy is also discussed”).

- For cable television with regional characteristics, the administrative authority has taken the stance that it does not step into cable television. Unlike the administrative authority, on the

other hand, local authorities take the position that they do not need to think about any issues relating to intervention.

However, I believe they should discuss the relationship between local authorities and cable television as the decentralization of power from central government to local ones progresses, including whether the traditional way of thinking is acceptable or not.

→ Cable television services focus on communication aspects, such as welfare services.

However, as seen from the problems of local elections, the services include broadcasting as partly relating to speech, so I should pay attention to that. It is difficult for local authorities to establish their relation with cable television, but if not related, local cable television might become extinct.