Study Group for the Development of Digitization and Broadcasting Policy (8th Meeting) Summary of Minutes

1 Date and Time:
（Tues.）December 21, 2004 10:00-11:00

2 Location:
First Special Conference Room, MIC (8th floor, Central Joint Government Building No. 2)

3 Attendees:
(1) Study Group members (Honorifics omitted; in order of the Japanese syllabary): Susumu Ito, Norio Kumabe, Soichiro Kozuka, Hiroshi Shiono, Toshiyuki Shinohara, Ikufumi Niimi, Atsuko Nomura, Mitsutoshi Hatori, Jun Murai, Haruko Yamashita (10 members)

(2)MIC members: Horie, Director-General of the Information and Communications Policy Bureau; Fujioka, Deputy Director-General; Fukuoka, Director, General Affairs Division, Information and Communications Policy Bureau; Ando, Director, Broadcasting Policy Division; Asami, Director, Broadcasting Technology Division; Minami, Director, Terrestrial Broadcasting Division; Imabayashi, Director, Satellite and International Broadcasting Division; Emura, Director, Regional Broadcasting Division; Ogasawara, Senior Planning Officer, Broadcasting Policy Division; Imaizumi, Assistant Director, Broadcasting Policy Division

4 Proceedings:
(1) Opening
(2) Agenda
Organizational Issues
(3) Closing

5 Outline of Proceedings:
(Text symbols represent the following: ● － Remarks of study group

members; ○ − remarks of MIC members)

(1) Organizational Issues

Director Ando of the Broadcasting Policy Division explained changes implemented to Reference 1 following the previous meeting. Opinions were subsequently exchanged.

● How the addition of the perspective of competition policy relates to systems and policies, including whether we should even discuss the issue, is now on our future agenda. In the description on local program production, some subjects in past discussions were included because we had a chance to listen to people who are producing programs for terrestrial digital broadcasting and their experiences of the actual production process is useful information. At the same time, we have also added to topics for discussion the strengthening relationship between local governments and the media, as this is something we need to pay attention to.

● In addition to the previously listed issues, we have included a selection of new issues in order for balanced discussions. I hope we will also be able to discuss other unlisted issues as this study group progresses.

● If you have any further items for discussion, please submit them as soon as possible.

● Section 3 titled "Broadcasting Content in the Digital Era" in the Reference covers a variety of topics. It will be very important to study those pertaining to intellectual property rights for broadcasting content, systems for content trade, including technologies that support them, and the possibilities of such technologies based on the following two assumptions: strong recognition of broadcasting content as attractive and highly influential content, and content trade with diversified digital communication methods, which is different from that in the analog era. It is also very critical to think from a global perspective as content trade from the world to Japan or from Japan to the world is

a reality. Issues that we need to discuss include concepts and ethics in regard to intellectual property rights as well as what we can do with the rules and the technologies such as the "copy once" system and DRM technology. Since it is not clear if the users will accept these new technologies in the market, we may need to discuss specifics including the process involved in their promotion.

● It may be important to continue development of broadcasting-related technologies.

● There may be some cases where a regulation covering information that is automatically sent from computers without human intervention is necessary, for example, in the event of an earthquake or when sending information local community-based information.

● I believe your question is: When digitization is completed, how should regulations be handled in relation to existing editing rights in emergencies or in cases where information can be more easily sent? Or, in other words, whether a kind of automatic, comprehensive contract can replace the editing right. In which category should this issue be included?

○ From the systems perspective, the editing right that has just been mentioned is one of the key points. From the technical perspective, we will not be able to send information in real-time if we don't develop technology to instantly translate the languages used in information networks of local public organizations into and from the language of terrestrial digital broadcasting without human intervention. Since development of this technology is deemed important, the government has a plan to support development of technologies for systems that integrate telecommunications and broadcasting through an organization called NICT. This could be categorized into the relationship between local public organizations and the media.

● Are any policy considerations required for the development of

broadcasting technologies, like those that have just been pointed out? If no organization has addressed this yet, how should it be addressed?

○ The Broadcast Law imposes on Japan Broadcasting Corp. (NHK) an obligation to conduct research. When required, MIC will coordinate among the NICT, an independent administrative institution, the NHK Science & Technical Research Laboratories and manufacturers as to how research should be conducted.

● I think the question is 'Is there is any national policy for broadcasting technology, including initiatives in the private sector, from the perspective of wide and basic research?' I suppose the current situation depends on private funding and there seems to be related anxiety.

○ The Information and Communications Policy Bureau is in charge of promotion of overall broadcasting-related technologies. Each of the specialized institutions, the broadcasters or the universities, should conduct activities depending on their individual capacity or positioning. If any budget or system plans are required, MIC will be responsible for handing them.

● Please note that a question was raised on how development of broadcasting technology and digital technology should be handled as a policy issue, or what kind of initiatives should be taken for it.

● There are four sections including "Other Discussions." From the perspective of neoclassical economics, some suggestions can be made for each but they may not lead to a coherent vision. For example, good content cannot be created if copyrights are not protected, but over-protection can protect existing creators only.

● I understand that the opinion questions whether we should get into respective issues without discussing the grand design of this study group. But things will not advance if we just focus on the grand design. There may be various ways to pursue discussions, but it

would be more ideal if this study group can finally establish commonalities and reflect them in respective issues.

● Two different expressions—integration and convergence—are used separately for broadcasting and telecommunications. If the two will be converged, issues emerging in telecommunications now will soon happen in broadcasting. If the two will be technically converged, the broadcasting policy must be changed considerably. Therefore, we may need to put it into perspective.

● Typical examples of convergence of telecommunications and broadcasting are broadcasting using CS and the Internet. Broadcasting is a media that involves powerful rights including copyright issues while simultaneously having strong obligations. Therefore, it seems unlikely that Internet broadcasting would be categorized as broadcasting. Considerable consensus and efforts should be made in preparation for the convergence of telecommunications and broadcasting. Integration means to connect broadcasting and telecommunications organically by combining the best aspects of each.

● Trade of digital content involves the development of technologies while simultaneously recognizing the right-owners based on a business model that pays them. Meanwhile, broadcasting employs more anonymous rules and the systems. For any issues raised this time around, we may need to discuss the broadcasting system, or in other words, how these concepts should be defined in the digital era.

● Both broadcasting and telecommunications have their own core, and there was a time when the two could provide services based on these respective cores. However, as times have gradually changed, the issue of the borderline between the two is sometimes debated as a case of convergence. When the word "integration" is used, it is implied that the two are integrated while each side retains its own characteristics or features. As we always fail to have good answers,

I hope we can come up with a better answer. I would like to proceed to the next step based on how we have organized the issues today.

(2) Future Direction of the Study Group Meetings

Chair Shiono proposed that discussions should be made by sorting the issues into the four categories as shown in Reference 2 based on the organization of the issues in Reference 1. Director Ando of the Broadcasting Policy Division explained this in further detail.

Subsequently, Chair Shino suggested that, if the proposed organization of the issues is approved, we should establish four working groups based on the four categories, so that each group can deepen the discussions in parallel before the issues will be further discussed in the plenary meeting. This proposal was approved. It was agreed that the members of the working groups would be decided in the next meeting. Following are the key questions and answers made during that process:

● Is it appropriate to think that plenary meetings will be held as needed in order to share the knowledge on issues covered in the working groups?

● The issues will be discussed in the plenary meetings when they are roughly grasped and organized, rather than as needed.

● Until when will the working group meetings be held?

○ The secretariat's plan is as follows: The working groups will be established early next year, possibly in January, and the respective working groups should put together a report on interim progress by June if possible, so that the parent meeting of this study group can compile an interim report around summer. But this will depend on future discussions.

● On relating issues, I would hope that the secretariat will relay information between the relevant working groups to facilitate discussions.

○ In order to share information, we hope that the progress of discussions of the working groups, as well as how to proceed discussions especially on issues that needs coordination among the groups, will be reported at the parent meeting once every two months, for example. In the meantime, the secretariat will make his best efforts to facilitate such exchanges of information.