
Research Study Group List of meetings

**“Study Group for the Development of Digitization and Broadcasting Policy”
(18th Meeting) Summary of Minutes**

1. Date and Time:

Friday, December 16, 2005 10:00-12:00

2. Location:

Meeting Room 1101, MIC (11th floor, Central Joint Government Building No. 2)

3. Attendees:

(1) Study Group Members (Honorifics omitted; in the order of the Japanese syllabary)

Susumu Ito, Norio Kumabe, Soichiro Kozuka, Hiroshi Shiono, Toshiyuki Shinohara, Kazuhiro Takei, Ikufumi Niimi, Atsuko Nomura, Yasuo Hasebe, Mitsutoshi Hatori, Masayuki Funada, Haruko Yamashita (A total of 12 members)

(2) MIC

Shimizu, Director-General for Policy Planning; Kono, Deputy Director-General; Fukuoka, Director, General Affairs Division, Information and Communications Policy Bureau; Okubo, Director, Broadcasting Technology Division; Ando, Director, Terrestrial Broadcasting Division; Imabayashi, Director, Satellite and International Broadcasting Division; Minami, Director, Broadcasting Policy Division; Nagashio, Senior Planning Officer, Broadcasting Policy Division; Yamamoto, Senior Advisor, Satellite and International Broadcasting Division

4. Proceedings:

(1) Opening

(2) Agenda

- 1) Server-Based Broadcasting/1-Segment Broadcasting (Hearing from the relevant parties)
- 2) The Principle of Excluding Multiple Ownership of the Media/The Holding Company System

3) Other

(3) Closing

5. Proceedings Outline:

(1) Server-Based Broadcasting/1-Segment Broadcasting (Hearing from the relevant parties)

Mr. Nakagawa, Executive Director-General, and Mr. Wada, Director General in charge of Management Planning, General Planning Office, from the Japan Broadcasting Corporation explained the details, the schedule and the business model of server-based broadcasting service and the issues related to 1-segment broadcasting. They also demonstrated actual services related to server-based services.

Next, representatives from the National Association of Commercial Broadcasters in Japan, i.e., Mr. Maekawa, Senior Executive Officer of Tokyo Broadcasting System, Inc.; and Mr. Seki, Executive Technical Director, Technical Department, Fuji Television Network, Inc., gave opinions concerning server-based broadcasting services and 1-segment broadcasting.

In the subsequent Q&A session, the following key questions and answers were presented:

- In order for server-based services to be successfully provided, it seems desirable for both broadcasters and viewers to be able to enjoy financial advantages that measure up to the services.
- In that sense, it must be ensured that fake S-CAS services will not emerge. It seems that various services are not permitted in the case of devices that do not respond to copy control signals.
- Regarding 1-segment broadcasting, it seems viable to develop the infrastructure through pilot experiments so that broadcasting signals can be received in underground malls.
- What image format should be used for the type of server-based service that provides programs in a file format has not been finalized, but a format that has high compression efficiency should be used.
- Possible influences by server-based services on affiliate stations are that centripetal forces for maintaining networks will be strengthened and that the scope of business of local stations will be broadened.

(2) The Principle of Excluding Multiple Ownership of the Media/The Holding Company

System

Opinions were exchanged on the principle of excluding multiple ownership of the media and on the holding company system. Key questions and answers were as follows:

- If BS broadcasting and CS broadcasting can be received with antennas of the same direction and size, it must be difficult to differentiate BS and CS and raise viewer awareness of BS as a quasi-basic media.
- While CS has been regarded as a world that anyone can enter freely, BS has been treated otherwise; i.e., as quasi-basic media that is part of the broadcasting policy.
- In Europe and the United States, the crucial difference is not whether it is a basic media or quasi-basic media, but whether the broadcasting is a paid service or a free service. In that sense, BS broadcasting in Japan, most of which provide free commercial broadcasting, must be very special.
- BS has been regarded as quasi-basic broadcasting due to the efficiency achieved with one wave for the entire country, the increase of user households, and the background of the satellite launch. However, whether a broadcasting service is regarded as basic broadcasting or quasi-basic broadcasting is relative, and that regard may change as the situation surrounding media changes.
- The relationship of diversity and pluralism differs between media and revenue sources. We should assess it for BS.
- The claim by the commercial broadcasters may be based on their understanding that the issues of re-use of programs with terrestrial broadcasting and consumption tax cannot be solved by only restrictions on investment, and therefore they sympathize with the commercial broadcasters because they cannot do what NHK can do.

(3) Other

The secretariat explained the future direction.