

**“Study Group for the Development of Digitization and Broadcasting Policy”
(23rd Meeting) Summary of Minutes**

1. Date and Time:

Tuesday, May 30, 2006 18:00-19:40

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)

Norio Kumabe, Soichiro Kozuka, Hiroshi Shiono, Toshiyuki Shinohara, Kazuhiro Takei, Atsuko Nomura, Mitsutoshi Hatori, Masayuki Funada, Haruko Yamashita (A total of 9 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; Yamamoto, Examiner, Satellite and International Broadcasting Division; Minami, Director, Broadcasting Policy Division; Nagashio, Senior Planning Officer, Broadcasting Policy Division

4. Proceedings:

(1) Opening

(2) Agenda

- 1) The Principle of Excluding Multiple Ownership of the Media
- 2) Other

(3) Closing

5. Proceedings Outline:

(1) The Principle of Excluding Multiple Ownership of the Media

Opinions were exchanged on the principle of excluding multiple ownership of the media. Key opinions were as follows:

- Is it appropriate to understand that the issue of securing local characteristics in the principle of excluding multiple ownership of the media is handled independently from the principle theory, e.g., in the case where the holding company system is adopted will it be exempt from the requirement of local investment?
- As it is an issue of the media world, there should be various ideas as to how much legal discipline is appropriate to impose, particularly in terms of governance.
- Should digital radio be included in the discussion of this meeting?
- Regarding digital radio, at this time it seems that preparations have been made to generally exempt the principle of excluding multiple ownership of the media and that the specific issue has not been discussed directly.
- The concept of local community seems to be difficult to handle. It differs considerably between economist and legal experts. Some communities are considering the regional system.
- The theory of industrial organization may use the cultural area

as a framework for a local community. It seems that the point is whether there is substitutability or not; for example, whether local news in Osaka will suffice for people living in Kyoto.

- Does the number of subsidiaries that a holding company can control mean the number of subsidiaries across the country or per region?
- It is likely that the number is at the national level.
- Have limits been set up with due consideration for the concern that the holding company system would wipe out local characteristics in effect?

- Is it appropriate to think that mobile broadcasting is not included in the CS category that is used this time?
- It is 2.6GHz band satellite digital sound broadcasting, and should be classified into a different category.
- When the concept of large-scale satellite operators was initially conceived, it must have been considered a concept that is comparable to other countries' situations, where one company sets up products and prices for the entirety of broadcasting programs for satellite broadcasting.
- Since there are various issues and ideas about the satellite platform, it may be appropriate to enhance the measures with voluntary guidelines for the time being and deepen the discussion on the concept.
- Regarding CS broadcasting, there could be discussion as to whether the degree of deregulation is great or small in relation to the demands and the number of channels from the perspective of the principle of excluding multiple ownership of the media.

- Some regions can receive terrestrial digital TV broadcasting with 1-segment broadcasting, even though they cannot receive the spectrum that uses 12 segments for fixed reception. We should recognize that 1-segment broadcasting is appropriate to

supplement 12-segment.

(2) Other

The secretariat explained the future direction.