

Submission to
Subcommittee on Subsidiary Legislation to Enable the Release of Spectrum for
Expansion of the Second Generation Mobile Service and Mobile TV Services Meeting on
6 Mar, 09 by G-mobile Limited

1. G-mobile Limited (GML) welcomes the opportunity to highlight its concerns on Mobile TV services rollout in Hong Kong to the Subcommittee.
2. It is GML's strong believe that in the rollout, as a scarce public resource is being deployed, public interest should take precedent over other interests.
3. GML believes the Framework for Development of Mobile Television Services issued by the Communications and Technology Branch, Commerce and Economic Development Bureau on 22 December, 2008 does not address a large number of issues relating to public interest, including the followings.
4. As the UHF Band multiplex and the two Band III multiplexes will be auctioned off separately, will there be legislations on reception devices? One of the slow take-up reasons for DTT surely is the lack of legislations on DTT tuners (often confused with decoder set-top boxes), higher-tier DTT tuners (further confused with MHEG support) and analogue TV receivers (which, though may become obsolete by 2012, are still extensively on sale). GML believes that the quicker the Mobile TV take-up, the better the public interest will be served.
5. Is lack of real competition serving the public interest? With the UHF Band multiplex capable of 20 channels and the two Band III multiplexes only six, can real competition be possible? And as described in paragraph 21 of the Framework, the annual fee for an existing unified carrier licensee to operate Mobile TV will only be one-tenth that of a new licensee. Is cross-media ownership encouraged in this instance?
6. Unavoidably, future Mobile TV operators will be competing with other TV services providers, including free-to-air, pay, satellite, 3G streaming, transit, outdoor, closed-circuit and so on, for advertising and/or subscription dollars. Will there be enough legislation to make sure cross-media ownership by current dominant operators will not inadvertently hold back the rollout of Mobile TV? Will milestones on the amount of unspecified contents be enough? In the past, we have witnessed many TV services milestones being met with hardly watched contents/channels. And will the performance bond be large enough to make a difference with any dominant operator?
7. Lastly, what will be the criteria to measure Mobile TV's success? Is it the amount of revenue that it would generate for the Treasury? Is it simply that it has been launched like many other countries worldwide? Or is it the size of the public that will use it and enjoy it?