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Ms Yue Tin-po
Clerk to Subcommittee on Subsidiary Legislation
to Enable the Release of Spectrum for
Expansion of the Second Generation Mobile
Service and Mobile TV Services
Legislative Council Building
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Hong Kong
(Fax: 2185 7845)

Dear Ms Yue,

**Subcommittee on Subsidiary Legislation to Enable the Release of
Spectrum for Expansion of the Second Generation Mobile Service and
Mobile TV Services**

Meeting held on 27 February 2009

At the Subcommittee meeting held on 27 February, Members asked for information about mobile TV services elsewhere in the world. The Administration undertook to provide the information before the coming meeting of the Subcommittee scheduled for 6 March. Please note our research findings as set out in the ensuing paragraphs.

Mobile TV development in the UK and the US

The United Kingdom (UK) conducted an auction of the

L-Band (1452-1492 MHz) in 2008 for the development of mobile TV service. Qualcomm is authorised through the auction to use the 40 MHz spectrum in L-Band acquired for service ranging from mobile TV to satellite radio. Meanwhile, the UK is conducting a public consultation, which will end in April 2009, about the fine-tuning of its digital spectrum distribution plan whereby more UHF channels may be made available in the UK for mobile TV service after switching off the analogue TV service in 2012.

British Telecom (BT) in the UK launched mobile TV service in September 2006 using a variant of Digital Multimedia Broadcasting (DMB) standard known as DAB-IP over the Band III digital audio broadcasting (DAB) network. It was supported by only one type of handset and only 5 programme channels were provided. As the European Commission advocates the use of DVB-H for mobile TV in Europe, the BT service was terminated in end-2008 after operating for roughly a year due to unsatisfactory customer take-up.

In the United States (US), mobile TV services are regulated as telecommunications services. During the respective spectrum auction conducted by the Government in 2003, 2004 and 2008, Qualcomm successful acquired some blocks of spectrum in the UHF band (700 MHz) for the provision of mobile TV service. Qualcomm has partnered with Verizon Wireless and AT&T to launch mobile TV service in the US in 2007 and 2008 respectively. We note that there are some 3 million mobile TV subscribers in the US.

Mobile TV development in South Korea

Unlike other overseas jurisdictions such as the UK and the US, mobile TV services in South Korea are subject to the Korean broadcasting law and regulation. In 2005, the South Korean Government allocated spectrum and awarded licenses to six broadcasters for terrestrial DMB (T-DMB), including three incumbent terrestrial broadcasters, an all-news cable TV channel operator, and two newly-formed consortia that included equipment manufacturers and internet media companies. At present, the T-DMB services cover over 75% of the country (almost all residential areas of South Korea).

Besides, SK Telecom, the dominant mobile operator in South Korea, launched its satellite-based mobile TV service (S-DMB) through its subsidiary, TU Media, in May 2005 on a subscription basis.

We note that there are 17.25 million DMB users in South Korea at the end of 2008, up 59.9% from the preceding year.

Local programming requirement

In Japan, 20 million cell phones are equipped with TV receivers. We note that when the Japanese Government licensed mobile TV services in 2006, there was requirement that the content broadcast through mobile TV handsets had to be the same as those on conventional TV. However, the regulation was lifted in mid-2008 and mobile TV operators in Japan can now provide specific programmes targeting the mobile TV market. Apart from this, we have not come across cases where there is local programming requirement on mobile TV services.

Yours sincerely,

(Alan Siu)
for Secretary for Commerce
and Economic Development

c.c. DG-Tel (Attn: Mr YK Ha)