

Letterhead of Satellite Television Rentals Ltd.

Paper No. CB(2)1476/99-00(03)

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Monday, 20 March, 2000

Mrs. Constance Li,
Clerk to Bills Committee,
Legislative Council.
Fax 2509 9055

Dear Madam Li,

Bills Committee on Broadcasting Bill.

Thank you for your letter of the 15th March 2000.

I wish to strongly support the passage of the new Broadcast Ordinance and even more strongly support the content of Clause 5 of the Bill.

Many unscrupulous Chinese are importing digital decoders licensed for use in Thailand and other Asian countries and selling them to people at very high prices in Hong Kong mostly for domestic use but some do find there way into commercial outlets and private Clubs.

I wish to recommend that Clause 5 be changed in to two parts:-

Clause 5 is fine.

Clause 6 seems to be a bit foggy. Where is the subscription meant to be paid? Hong Kong? Thailand? I was not party to the draft of this Clause so I would need to talk to the author of it to fully understand the intention of this section.

A new Clause should also be introduced making it an offence to **EXPORT**, a decoder licensed and authorised for use in Hong Kong without the written approval of the licensee. What I am aiming at here at the Chinese who currently purchase digital decoders from STAR TV for a public domain price of HK\$3,500 and then sell them over the border in Shenzhen for HK\$7,000. This is done for sheer financial gain and pays no respect to Licensing and Copyright arrangements in Hong Kong.

Perhaps there should also be another offence **to IMPORT and RE-EXPORT** a decoder licensed for services in countries outside Hong Kong. Some decoders are being brought into Hong Kong SAR from Taiwan and re-exported to China. Likewise the digital satellite television service in Thailand is imported and re-exported.

It is well known that some people will genuinely purchase satellite digital decoders inside or outside Hong Kong. Such people may be (for example) Hong Kong Bank personnel undergoing routine transfers within the Corporation's business empire. Possibly expatriates fleeing turmoil in other countries i.e. Indonesia, East Timor and bringing their belongings with them. These people are harmless because the scale of decoder movement is quite small and a lot of them do not understand the technology and how satellite systems work.

What I am suggesting with my proposals is aimed at the businessman who trades illegally for greed and profit on an organised and deliberate scale.

Hong Kong must be seen to protect both sides of the coin - illegal imports and illegal exports.

Thank you.

Satellite Television Rentals Ltd

David Weaver,
Managing Director.