

Consultation

We would welcome your answers to the following questions:

Q1 To what extent do you think consumers can benefit from having digital decoders included in television sets? Are some consumers, such as those with disabilities, particularly affected?

IDTVs should be seen as the logical replacement for a consumer's current TV. When a consumer decides to purchase a new TV he or she should be encouraged to "think digital" and regard the included digital tuner as merely another feature offered on the new set. The simplicity of a single product without the need for additional boxes and wiring makes the sales proposition straightforward. There is a natural benefit for those consumers with disabilities as the operation of a digital TV is not dissimilar to an analogue TV, with which most people are already familiar. A single remote control, no additional boxes, no additional or complicated wiring connections.

Q2 How far do you think IDTVs can contribute to encouraging take-up of digital services?

We have to convince people to "think digital" when they are considering the purchase of a new TV. The only sensible future-proof purchase decision is for an IDTV. Digital adapter boxes are an excellent solution for converting existing sets or video players to digital but an IDTV is the right permanent choice for the long-term. If this mindset can be achieved then IDTVs have a major role to play in the changeover to digital. IDTVs have to be the natural choice of any purchaser wishing to future-proof the purchase. The purchase of an outdated analogue set with a set-top-box is not an elegant solution.

Q3 How far do you think IDTVs can contribute to reaching the point at which analogue terrestrial transmissions could be switched off in the UK? And in the rest of Europe?

Given free choice most people would prefer to purchase a single piece of equipment to watch TV programmes. But it will only be when consumers have faith in the digital signal that they will be prepared, in large numbers, to purchase an IDTV. Unless the broadcasters earn that faith the road to analogue switch off will be interminable. The IDTV has a vital role to play in helping the move to analogue switch off. This is, of course, true in the UK or any other country.

Q4 How might we ensure that any proposal to make sets contain a digital decoder did not favour one platform over any other?

Until the digital terrestrial signal can be widely received it will be necessary to provide both an analogue and a digital tuner in TVs. As the terrestrial signal coverage spreads and is strengthened then consumers who have purchased an IDTV will be able to access all the new services that should be coming on line in October. It is the analogue terrestrial spectrum that the Government wishes to switch off in the period 2006 to 2010 so the mandated digital tuner should be targeted to favouring the free to view, unscrambled contents which at least today are only available on the digital

terrestrial network. In the analogue domain the consumer purchased an analogue TV to enjoy the free to view services, if he or she wished to migrate to a paid for service then a set top box was acquired for either satellite or cable. This process is well accepted by consumers and it enables the satellite and cable companies to set the specification of their own reception devices including the commercial services they wished to offer. Digital terrestrial TV enables a consumer to access all the free to view services and is easily upgraded for paid for services via a set top box.

Q5 How might we ensure that any proposal to make sets contain a digital decoder was neutral with respect to the market models and technical choices made by individual service providers?

See answer to 4

Q6 If there was a proposal to make sets contain a digital decoder, what conditions should apply? For example, should the proposal apply only to sets of a certain size, or including certain features, or from a certain date? Should it include all receivers (including VCRs) with a PAL or SECAM decoder?

Sony supports the proposal to mandate digital tuners in televisions. However the decision is a matter for the Government. We agree that such a move would hasten the changeover to Digital and welcome the proposal. We would recommend that the introduction be phased over a number of years. For instance, as a start all screen sizes above 21 inch should be mandated, followed after, say, a year with all other TVs and then followed up by DVD recorders and then video players. As more and more sets are made with digital tuners the costs of the components will decrease making the addition to smaller, low cost items less of a problem.

General comments, particularly on possible effects on our aim for the UK to have the most dynamic and competitive market for digital TV in the G7, are also welcome.

The first priority must be to rebuild consumer and retailer faith in Digital Television. We have an excellent opportunity to do that with the launch of the new TV channels and improved signal strength planned for October. However the BBC must start to promote their new services as soon as possible to encourage retailers to order sufficient stocks of product for the important peak sales period around Christmas.

While Digital Adapters have a vital role to play in the move to digital they represent only a short-term solution. The Government and industry can only be confident that the consumer has accepted the digital proposition when the sale of IDTVs grows significantly year on year.