

Chapter-IV
Summary of Issues for Consultation

Issues related to Target Market

1. Do you think that the flexibility of defining the target market is being misused by the distribution platform operators for determining carriage fee? Provide requisite details and facts supported by documents/ data. If yes, please provide your comments on possible solution to address this issue?

Ans-Flexibility of defining target market itself provides room for skewed carriage fee. Some popular channels despite being immensely popular in regional language are facing the illogical interpretation of the definition of target market. Further the problems of less popular regional channels are more serious and they have to pay more carriage fee because of this.

The present definition of the target market needs to be reviewed. The target market should be confined to region of which the channel belongs to and particularly should be within the state territory limit of the regional language broadcasters. Parallel option should also to be given the broadcaster to ask its desired target market and accordingly carriage fees to be decided based on such target market. For example for Odia language channels the state of Odisha should be the largest target market and the DPO are free to declare any other as target market within that. However broadcaster should be left with option to declare beyond Odisha as its target market.

2- Should there be a cap on the amount of carriage fee that a broadcaster may be required to pay to a DPO? If yes, what should be the amount of this cap and the basis of arriving at the same?

Ans- There should definitely be a cap on the amount of carriage fee. This is mainly to have a healthy eco system where new channels will get a fair play to come in the system and prove their sustenance depending on their popularity. To be precise it will provide level playing field for new comers and existing regional broadcasters.

The existing carriage amount prescribed in the regulation looks appropriate.

3. How should cost of carrying a channel may be determined both for DTH platform and MSO platform? Please provide detailed justification and facts supported by documents/data.

Ans- The existing NCF looks fine. No further comments.

4. Do you think that the right granted to the DPO to decline to carry a channel having a subscriber base less than 5% in the immediately preceding six months is likely to be misused? If yes, what can be done to prevent such misuse?

Ans- As the root cause of issue is related to the definition of Target Market, once the same is corrected, the current provision can be continued. It is on account of fact that if any channels in newly defined target market is not achieving 5% penetration for 6 months will not have any value addition in the broadcasting eco system. So current clause can be continued in my opinion.

Issues related to Placement and other agreements between broadcasters and Distributors

5. Should there be a well defined framework for Interconnection Agreements for placement? Should placement fee be regulated? If yes, what should be the parameters for regulating such fee? Support your answer with industry data/reasons.

Ans-There should not be any scope for any placement . The reason being that as all the subscribers should have right and choice of choosing and watching their channels of their choice and through the medium of their choice, the provision of placement negates the vision of same. Further any placement deals will only further consolidate the bigger players in the eco system and the same should not be encouraged at all. The present regulation looks fine.

6. Do you think that the forbearance provided to the service providers for agreements related to placement, marketing or any other agreement is favoring DPOs ? Does such forbearance allow the service providers to distort the level playing field? Please provide facts and supporting data/ documents for your answer(s).

Ans- Definitely yes. The forbearance provided to the service providers for agreements related to placement, marketing or any other agreement is favoring DPOs. This type of deal is clearly distorting the level playing field. As the vision of the regulation is to provide a win win situation for all the stakeholders and that to a country which is so plural in almost all aspect , the same is not achieved with this forbearance . In our opinion the true price of a channel is not unlocked to subscribers with this forbearance.

7. Do you think that the Authority should intervene and regulate the interconnection agreements such as placement, marketing or other agreement in any name? Support your answer with justification?

Ans- The authority should clearly discard any provision related to any agreement on placement. However marketing and promotional agreement should be left to the market force to decide.

8. How can possibility of misuse of flexibility presently given to DPOs to enter into agreements such as marketing, placement or in any other name be curbed? Give your suggestions with justification.

Ans- There should not be any flexibility on placement beyond the existing regulation. Marketing and promotional agreement should be outside the purview of regulation.